



Santiam Travel Station

750 S. Third Street, Lebanon, OR 97355

**DISTRICT GOALS: Improve Student Achievement, K-3 Literacy, On-Time Graduation**

**MEETING AGENDA**

**1. WELCOME**

- A. Call to Order
- B. Flag Salute

**2. PUBLIC COMMENTS**

This is a time for citizens to address the Board. Public comments will need to be submitted to [ruth.hopkins@lebanon.k12.or.us](mailto:ruth.hopkins@lebanon.k12.or.us) by 4:00 PM on April 8, 2021.

**3. COVID-19 UPDATE**

**Action: Informational**

**4. POOL REPAIR AND BOND DISCUSSION, pg. 3**

**Action: Informational**

**5. DISTRICT CONTRACT FOR AUDIT SERVICES**

**Action: Approval Requested**

**6. 2021-22 CERTIFIED CALENDAR, pg. 9**

**Action: Approval Requested**

**7. CONSENT AGENDA, pg. 12**

**Action: Approval Requested**

- A. March 11, 2021 Meeting Minutes
- B. Hiring:

NAME	POSITION	FTE	START DATE	END DATE
Sara Ainsworth	Elementary Assigned Substitute Teacher	1.0	3/15/2021	6/9/2021
Rachel Brandt	Elementary Assigned Substitute Teacher	1.0	3/16/2021	6/9/2021
Joshua Buras	Wellness Lebanon Online Teacher	1.0	4/12/2021	6/10/2021
James Forcier	Social Studies Lebanon Online Teacher	1.0	4/12/2021	6/10/2021
Sarah Johnson	Student Success Lebanon Online Teacher	1.0	4/12/2021	6/10/2021
Christopher Luckman	Elementary Assigned Substitute Teacher	1.0	3/29/2021	6/9/2021
Myah Rabourn	Elementary Teacher	1.0	4/12/2021	6/10/2021

**8. DEPARTMENT REPORTS**

**Action: Informational**

- A. Operations
- B. Human Resource
- C. Finance, pg. 134

**9. COMMUNICATION**

**Action: Informational**

- A. Board

B. Superintendent

**10. ADJOURNMENT**

Upcoming meeting dates:

May 13, 2021 – Regular Meeting at 6:00 PM

June 2, 2021 – Budget Committee Meeting at 6:00 PM (Zoom meeting)

June 9, 2021 – Budget Committee Meeting at 6:00 PM (Zoom meeting)

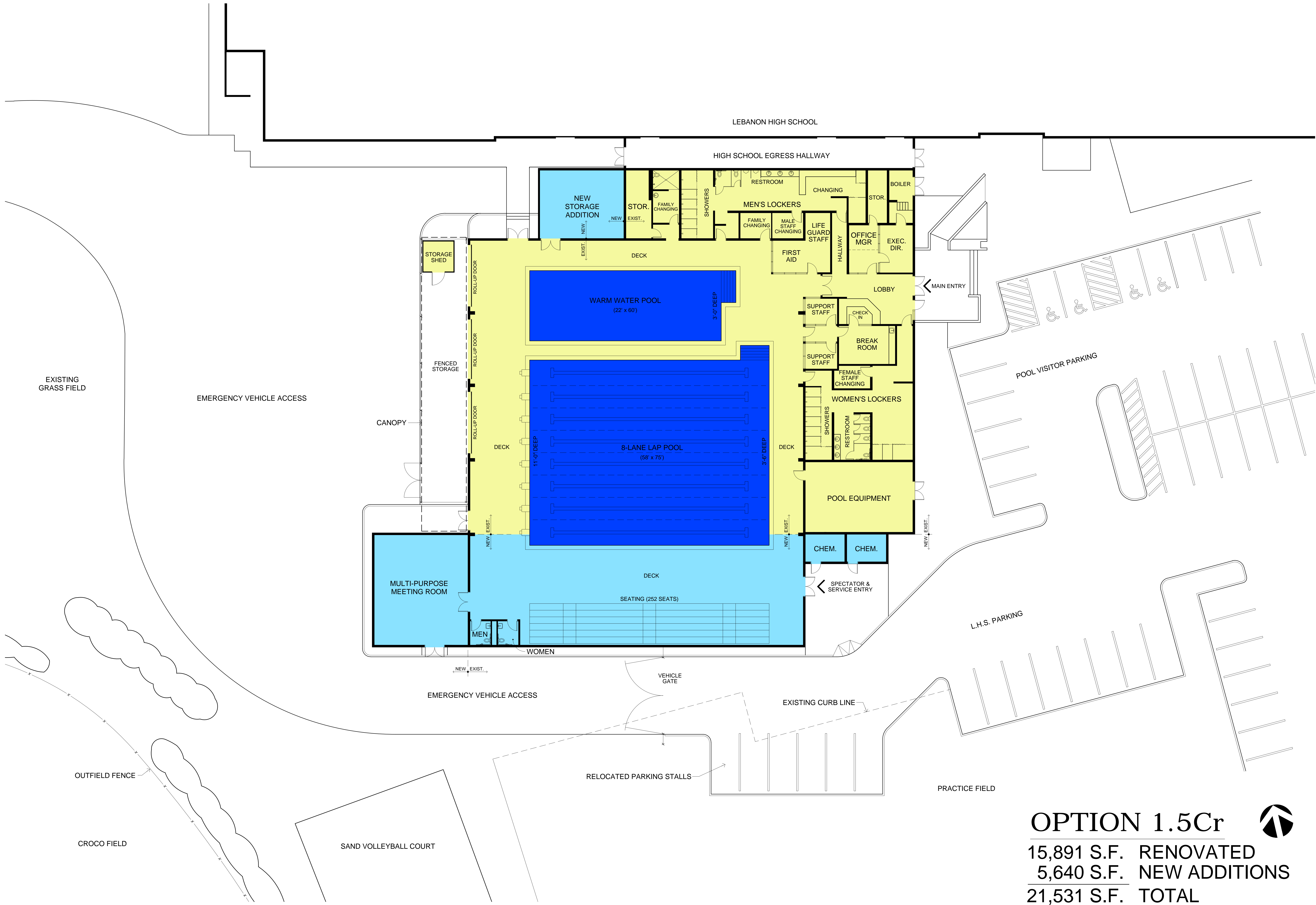
June 10, 2021 – Regular meeting at 6:00 PM

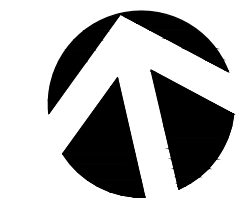
June 24, 2021 – Budget Hearing and Special Board Meeting at 6:00 PM

July 8, 2021 – Regular Meeting at 6:00 PM

# Agenda Item 4

*Pool Repair and Bond Discussion*



**OPTION 1.5Cr** 

15,891 S.F. RENOVATED  
 5,640 S.F. NEW ADDITIONS  
 21,531 S.F. TOTAL

The following summarizes the proposed improvements to the Lebanon Community Pool located at 1800 S. 5<sup>th</sup> Street in Lebanon, OR. It is located adjacent to the Lebanon High School. The Pool is operated by the Lebanon Aquatic District and owned by the Lebanon Community School District under a lease arrangement.

The original building dates from the mid 1960's and is constructed of masonry and wood frame construction. Proposed improvements are to include the following, subject to budget limitations.

The following list is intended to be general in nature since it is based on a conceptual design concept. It is not all-inclusive, but is intended to indicate the unique and complex improvements which are needed in a comprehensive improvement project. It is not anticipated that there will be a significant impact on the existing high school operations.

The proposed improvements are intended to help the District meet its goal of providing long-term improvements.

### **General Requirements**

- All Improvements will be in accordance with the current codes (e.g., Oregon Structural Specialty Code, Accessibility requirements, Seismic Regulations, Energy Conservation Regulations, Pool Regulations of the Oregon Health Authority, Oregon Solar requirements, etc.).
- All occupiable spaces will be provided with accessibility code requirements.
- Aged infrastructure will be replaced throughout the building and will include:
  - Heating, ventilation, and exhaust systems
  - Limited air conditioning in District offices
  - Electrical service, equipment, power, lighting, low-voltage systems (fire alarm, data/wifi, HVAC controls, public address, intrusion detection, security cameras )
- Seismic Rehabilitation work will be fully defined following a study by a structural engineer. Based on similar age buildings in western Oregon. Where feasible, the capability of the existing structure will be utilized but will still necessitate enhancement of the lateral force resisting capability of the structure and improved anchorage of structural elements.
- All floors in wet traffic areas will be removed and replaced with new floors sloped to trench drains in accordance with codes and provided with a slip resistance finish.
- Exterior improvements are anticipated to be limited in scope to such items as:
  - Roof repair/replacement at the locker room/admin. roof level
  - Connection between existing and new construction
  - Areas impacted by seismic bracing of the building
  - All new materials will be compatible with existing
- The exposed roof structure throughout the building will be maintained and painted with a light color to improve its appearance and enhance the light level.

### **Natatorium-Renovation and Expansion**

- Remove existing pools and surrounding deck (abatement of plaster finish is assumed pending test results)

- Expand the Natatorium to provide more floor space to accommodate the larger pools and increased spectator seating capacity and restroom space.
- Provide new deck-level lap pool with 8 lanes (7' wide). Deep end will be 11 foot deep, with the shallow end at 3'-6". An extra-wide stair will facilitate access. Anchors will be provided to accommodate aquatic recreational and competition equipment.
- Provide new deck-level warm water (therapy) pool with 8 lanes (7' wide). Deep end will be 3-5 feet deep with the shallow end at 3'-0". An extra-wide stair will facilitate access. Special therapy features which may necessitate a variance from the OHA could include (a) minimal floor slope to facilitate movement within the pool and an even height for bench seating; (b) submerged bench seating; (c) submerged railings used to provide exercise and therapy for seniors and individuals with disabilities.
- Special Infrastructure provided will include:
  - dehumidification and ventilation system
- Construction of the expansion area will be energy-efficient and of masonry construction with a wood-frame roof structure similar to the existing glu-laminated structure and tongue and groove decking.
- Cosmetic improvements will include repairs to worn or damage surfaces, painting of surfaces will provide a brighter and more inviting environment in the pool area.
- Acoustics of the space will be analyzed and acoustic treatment will be replaced.
- Deck space will be provided for spectator seating adjacent to the main pool. Two new single-occupant restrooms, adjacent to the seating, which will also serve the Multipurpose Meeting Room.

#### **Pool Equipment Room:**

- The existing equipment serving the main and therapy pools will be removed with the exception of the relatively new ultraviolet disinfection units which will be salvaged and re-installed in the renovated space.
- The existing chemical equipment room will be removed to provide more space in the equipment room. A new addition will provide two chemical storage rooms to provide the required code separation of the acid and chlorine systems.
- New equipment will be provided to serve each pool. This will primarily include the systems for circulation/filtration, chemical disinfection, water heating and reinstallation of the ultraviolet units.

#### **Locker/Changing Room Changing Renovations:**

- Following major demolition of the existing floors and walls, the spaces will be reconfigured to better accommodate needs of the visitors, such as enhanced privacy for the restrooms, changing and showering, and increased quantities of plumbing fixtures.
- Facilities will be provided for male and female genders in a group setting, and family changing rooms will serve as gender-neutral facilities.
- New Construction will be of masonry walls, concrete floors, and wood roof structural members.
- Wall finishes will be durable materials such as epoxy paint or ceramic tile
- Floor finishes will be slip-resistant epoxy resin floor

### **Lifeguard/First Aid Room**

- The current lifeguard room will be expanded into the current therapy pool room, nearly doubling its current size.
- A first aid room will be located adjacent to the lifeguard room and will be constructed of masonry construction within the footprint of the current Natatorium.
- Staff changing rooms will be upgraded for the women and a portion of the therapy equipment room will be converted to a male staff changing room.
- Finishes in these rooms will be moisture and slip-resistant materials of high quality for durable and ease of maintenance

### **Lobby and Check-in Desk:**

- A check-in desk will be added to the Lobby to improve the control of the entry and flow to the Locker Rooms. The desk work area will be behind glass with a sliding window. The counter cabinetry will be plastic laminate-faced containing a retail display case. The space behind the desk will serve as a point of sale for concessions. A backcounter will contain storage and display space for the Concessions operations.
- A double door will be added in an existing wall opening to improve egress from the building and provide better accessibility.
- Finishes will be refreshed, primarily with paint and better concealment of the exposed construction at the roof level.

### **Multi-purpose Meeting Room:**

- A multipurpose/meeting room addition will provide space for meetings and group rentals> It will be accessible from the building exterior and have access to the pool deck for events and parties
- The construction will be masonry walls with wood-frame roof structure.
- Finishes will be painted walls and exposed ceiling structure

### **New Storage Addition:**

- A storage room is proposed to accommodate aquatic equipment storage needs while not being used in the Natatorium. A new door opening into the Natatorium shall be provided in an existing exterior wall.
- This will be a simple wood-framed structure utilizing two existing walls for economy.
- The addition will have code compliant exterior roof and walls. Interior walls will be faced with plywood panels. The floor will be sealed concrete.
- Minimal heat and lighting will be provided.

### **Aquatic Office Support Spaces:**

- Much needed space for support operations will be renovated in the current office area and a portion of the women's locker room. This will include two offices and a break room. Access will be provided to the pool deck via a small hallway.

### **District Office Space:**

- The current classroom near the building entry will be renovated to house the pool district offices. This will provide enhanced privacy and better service to the public.
- Partitions will be framed walls with hollow metal frames, wood doors, and painted gypsum board. Carpet will be commercial grade.



# Agenda Item 6

*2021-22 Certified Calendar*

# Lebanon Community Schools 2021-22 Calendar

D=Staff Development  
 P=Preparation  
 Shaded = Non Contract  
 H=Holiday  
 C=Parent Conferences  
 S=Semester  
 Q=Quarter  
 E=Early Release

AUG 2021						
S	M	T	W	H	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	D30	D31				

SEP 2021						
S	M	T	W	H	F	S
			P1	P2	3	4
5	H6	*7	E8	9	10	11
12	13	14	E15	16	17	18
19	20	21	E22	23	24	25
26	27	28	E29	30		

Class: 0  
 Other: D= 2

Class: 18  
 Other: H= 1 P= 2

OCT 2021						
S	M	T	W	H	F	S
					1	2
3	4	5	E6	7	8	9
10	11	12	E13	14	15	16
17	18	19	E20	21	22	23
24	25	Q26	P27	C28	C29	30
31						

NOV 2021						
S	M	T	W	H	F	S
	1	2	E3	4	5	6
7	8	9	E10	H11	12	13
14	15	16	E17	18	19	20
21	22	23	24	H25	26	27
28	29	30				

DEC 2021						
S	M	T	W	H	F	S
			E1	2	3	4
5	6	7	E8	9	10	11
12	13	14	E15	16	17	18
19	20	21	22	23	H24	25
26	27	28	29	30	31	

Class: 18 P= 1  
 Other: C= 2 H= 0

Class: 18 P= 0  
 Other: C= 0 H= 2

Class: 13  
 Other: H= 1

JAN 2022						
S	M	T	W	H	F	S
						1
2	3	4	E5	6	7	8
9	10	11	E12	13	14	15
16	H17	18	E19	20	21	22
23	24	25	E26	27	S28	29
30	P31					

FEB 2022						
S	M	T	W	H	F	S
		P1	E2	3	4	5
6	7	8	E9	10	11	12
13	H14	15	E16	17	18	19
20	21	22	E23	24	25	26
27	28					

MAR 2022						
S	M	T	W	H	F	S
		1	E2	3	4	5
6	7	8	E9	10	11	12
13	14	15	E16	17	18	19
20	21	22	23	24	25	26
27	28	29	E30	31		

Class: 19  
 Other: H= 1 P= 1

Class: 18  
 Other: H= 1 P= 1

Class: 18  
 Other:

APR 2022						
S	M	T	W	H	F	S
					1	2
3	4	Q5	P6	C7	C8	9
10	11	12	E13	14	15	16
17	18	19	E20	21	22	23
24	25	26	E27	28	29	30

MAY 2022						
S	M	T	W	H	F	S
1	2	3	E4	5	6	7
8	9	10	E11	12	13	14
15	16	17	E18	19	20	21
22	23	24	E25	26	27	28
29	H30	31				

JUN 2022						
S	M	T	W	H	F	S
			E1	2	E3	4
5	6	7	E8	9	10	11
12	13	*14	P15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30		

Class: 18  
 Other: C=2 P=1

Class: 21  
 Other: H= 1

Class: 10  
 Other: P= 1

Class	P	C	D	H	Contract
18	2	0	2	1	23
49	1	2	0	3	55
55	2	0	0	2	59
49	2	2	0	1	54
171	7	4	2	7	191

**ALL SUBJECT TO BARGAINING CONTRACT**

Adoption Date:

# Lebanon Community Schools 2021-22 Calendar

August 30-31	Staff Professional Development Days
September 1-2	Staff Preparation Days
September 3, 2021	Non-Contract Day
September 6, 2021	Holiday - Labor Day
September 7, 2021	Open House/Orientation
September 8, 2021	First Day of School, Early Release
October 26, 2021	End of First Quarter
October 27, 2021	Staff Preparation Day - NO SCHOOL
October 28-29, 2021	Parent Conferences - NO SCHOOL
November 11, 2021	Holiday - Veterans' Day - NO SCHOOL
November 24, 2021	Non-Contract Day - NO SCHOOL
November 25, 2021	Holiday - Thanksgiving Day - NO SCHOOL
November 26, 2021	Non-Contract Day - NO SCHOOL
December 20-23, 2021	Non-Contract Day - Winter Break - NO SCHOOL
December 24, 2021	Holiday - NO SCHOOL
December 27-31, 2021	Non-Contract Day - Winter Break - NO SCHOOL

## 2022

January 1, 2022	Holiday - New Year's Day
January 3, 2022	Classes Resume
January 17, 2022	Holiday - Martin Luther King Jr. Day - NO SCHOOL
January 28, 2022	End of First Semester
January 31, 2022 -February 1, 2022	Staff Preparation Days - NO SCHOOL
February 14, 2022	Holiday - Presidents' Day - NO SCHOOL
March 21 - March 25, 2022	Non-Contract Days - Spring Break - NO SCHOOL
April 5, 2022	End of Third Quarter
April 6, 2022	Staff Preparation Day - NO SCHOOL
April 7-8, 2022	Parent Conferences - NO SCHOOL
May 30, 2022	Holiday - Memorial Day - NO SCHOOL
June 3, 2022	Strawberry Festival - Early Release
June 7, 2022	High School Graduation
June 14, 2022	Classes End - Early Release
June 15, 2022	Staff Preparation Day

\* Some students may begin school later due to incoming student orientation. More information will be provided by the school.

*Early Release Collaboration Days will be every Wednesday, beginning September 8, 2021 for **ALL** schools.*

## **ALL SUBJECT TO BARGAINING CONTRACT**

Adoption Date:

# *Agenda Item 7*

*Consent Agenda*

*March 11, 2021 Meeting Minutes*



Santiam Travel Station

750 S. Third Street, Lebanon, OR 97355

## **MEETING MINUTES**

<p><b><u>BOARD MEMBERS PRESENT:</u></b>  Tom Oliver, Chair  Mike Martin, Vice Chair (via Zoom –  joined late and left early)  Richard Borden  Tammy Schilling (via Zoom)  Todd Gestrin (via Zoom)</p>	<p><b><u>EXECUTIVE STAFF PRESENT:</u></b>  Bo Yates, Superintendent  Jennifer Meckley, Assistant Superintendent  William Lewis, Business Director  Kim Grousbeck, Director of HR</p>
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The meeting minutes were recorded by Executive Secretary Ruth Hopkins.

### **1. WELCOME AND CALL TO ORDER**

Board Chair Tom Oliver called the meeting to order at 6:02 PM and led the Pledge of Allegiance.

### **2. PUBLIC COMMENTS/COMMENTS FOR NAMING THE POOL**

There were no comments submitted either for or against the naming of the pool.

One public comment was submitted by Monica Graves regarding the athletic guidelines for wearing masks. That comment is attached to these minutes.

### **3. 2019-20 AUDIT REPORT**

William Lewis presented the audit report for fiscal year 2019-20 that was prepared by Pauly Rogers and Co, PC. Edward Yuen and Michael Aloï appeared via Zoom and Michael Aloï presented the Communication to the Governing Body that reviewed the purpose of the audit, their company’s responsibility for the audit, planned scope and timing of the audit, results of the audit, significant audit findings, future accounting and auditing issues, and best practices.

(VICE CHAIR MIKE MARTIN JOINED THE MEETING AT 6:20 pm)

Michael Aloï then reviewed the exit comments for the Board. The first comment was in regards to fidelity insurance coverage. The current coverage is considered low and the recommendation was that the Board should discuss increasing that coverage to help minimize risk exposure to the district.

The second comment was in regards to the governing body's monitoring of financial activities and how this could be accomplished by reviewing financial statements and projections, and by comparing financial results to pre-established benchmarks.

There was a discussion around internal controls procedures for prevention of fraud. William Lewis stated that the district has internal control policies and procedures in place and that they were also reviewed by the auditors. There are several lines of defense in place to help prevent the occurrence of fraud in the district. He added that the audit results showed an improvement over last year's audit and that he appreciates all of the hard work that the business office staff have done to make this happen.

Chair Oliver mentioned the actuarial valuation item on the report that is in accordance with GASB 75. In the past, the district has not pursued this. He indicated that the Board could discuss that again and decide if they would like to pursue that at this time.

Pauly Rogers and Co.'s communication to the Board of Directors and a copy of the 2019-20 financial report are attached to these minutes and is available on the district website.

#### **4. MAINTENANCE BOND DISCUSSION**

Superintendent Yates presented background information regarding building maintenance in the district and then shared about the grant opportunity that the State of Oregon currently has for matching funds available with a general obligation bond. The district has already went through a long range facility review for building repairs and they have looked at each school individually to identify what the necessities are. This information is included in the board packet and is available online.

He further explained that the maximum amount the district could get is \$4.4 million, and for the next biennium we could get a total of \$8 million. So, if the district could pass a \$12 million bond, then it would have \$20 million to work with for general maintenance items.

Chair Oliver clarified that the funds were for system replacements for assets that have a fixed life expectancy and need to be replaced, such as boiler systems or roofs.

Superintendent Yates then reviewed the line items for repair needs at the high school. He stated that the current seismic rehabilitation project would take care of a few of the items for the high school.

William Lewis presented the financial information on the bond. He said this would be a 20-year issue. He shared the graph with the treasury rates and said that currently rates are very low, so are in a good position for the district. The levy rate for the bond would be \$2 per \$1,000 for property taxes. He added that deferred maintenance does not get better with time. He said the district will apply for the matching grant, just so that we are in the queue.

Chair Oliver clarified that they are not asking for approval at this point. The first step is to apply for the matching bond and see if we qualify for that. Then to engage the community regarding the bond. Ultimately, it is not the Board's decision, it is the voter's decision if we levy a general obligation bond.

Superintendent Yates added that one of the larger repair items was the refurbishment of the pool. It needs to have significant work done to it, basically building a new pool within the structure that is currently there. He added that it would be sad for the community if we are no longer able to offer the pool.

Member Todd Gestrin added that he feels we need to take advantage of the matching funds from the state, but his concern is the increase in property taxes to people who are struggling with financial issues in the community. He is not sure if the community can handle a \$2 per \$1,000 increase to property taxes. Chair Tom Oliver said that was a good point and that the next step is community engagement to see what the community feels they can do and not overstepping what the district goes out for in the bond.

## **5. COVID-19 OPERATIONAL UPDATE**

Superintendent Yates presented the COVID-19 update. The district has started with grades K-8 for in-person instruction. There have not been any major issues so far. The staff and the parents have done a great job making this work. The principals have done a great job implementing their plan and making it work well.

(VICE CHAIR MIKE MARTIN LEFT THE MEETING AT 7:05 PM)

The high school will start next week. The administration team has worked really hard to come up with a plan for the high school. He feels there will be refinements to the rules that we currently have to use coming from the Governor regarding cohort requirements and personal distancing. He shared that the plans for the middle school and the high school are built to be able to add more kids when possible. At the elementary level, there are more kids wanting to come back than we have room for, and the hope is that we can bring more back at the end of spring break. He indicated that the guidance will come out next week and he anticipates it will allow us to do more. The high school is currently limited to 100 students for their cohorts and the hope is that the cohort limit will be eliminated and that there will be an adjustment to the personal distancing guidelines.

## **6. AWARD RFP FOR CONSTRUCTION MANAGER**

Upon motion made by Member Todd Gestrin, duly seconded by Member Richard Borden, the Board voted unanimously to approve awarding the RFP for Construction Manager / General Contractor to Gerding Builders, LLC.

## **7. PURCHASE OF KEES STREET PROPERTY**

William Lewis indicated that as a condition of closing on the Kees Street property, the closing company needs formal approval from the Board for the purchase. The 1.8 acre property on Kees Street can be divided into 12 lots. The high school Construction 1 and 2 classes will have an opportunity that no one else in the state has for the development of this property over the coming years. He added that the district is looking at an additional \$80-100K for a lot that size to develop the property.

Upon motion made by Member Richard Borden, duly seconded by Member Todd Gestrin, the Board voted unanimously to approve the purchase of the Kees Street property as presented.

## **8. NAMING OF THE LEBANON COMMUNITY POOL**

Superintendent Yates shared that the district would like to move forward with the approval of naming the Lebanon Community Pool after Jan Nadig, as proposed in the January 14, 2021 Board meeting. There have not been any public comments submitted to the board regarding this change.

Upon motion made by Member Todd Gestrin, duly seconded by Member Richard Borden, the Board voted unanimously to approve the pool being named after Jan Nadig.

## **9. SUPERINTENDENT'S RECOMMENDATIONS FOR RENEWAL AND NONRENEWAL**

Upon motion made by Member Richard Borden, duly seconded by Member Todd Gestrin, the Board voted unanimously to approve the Superintendent's Recommendations for Renewal and Nonrenewal as presented.

## **10. CONSENT AGENDA**

Upon motion made by Member Richard Borden, duly seconded by Member Todd Gestrin, the Board approved the February 11, 2021 meeting minutes; the adoption of Policies BDC, IICC, JECA, LBE, LBE-AR and LBEA; and the hiring of Steve Woodcock and Susanne Stefani, as presented in the consent agenda in its entirety.

## **11. DEPARTMENT REPORTS**

### **A. Operations**

Superintendent Yates shared that the transportation, food services, custodial and the maintenance departments have all been working very hard to get students back and he just wanted to thank them for all of their hard work.

### **B. Human Resources**

Kim Grousbeck presented the update for Human Resources. She shared that they have been working hard with the unions to get the staff back and get students in the buildings. There are currently 24 open postings for the district.

### **C. Finance**

William Lewis presented the district financial reports. He indicated that the decrease in the ending fund balance was because of the hiring that HR has been doing, as well as the purchasing of supplies now that schools are opening back up. Currently, we have an \$8 million ending fund balance that will be spent down through the end of the school year, and it should end up at a balance of about \$6 million.



He added that he would bring back the internal procedures from the business department to share with the Board for what they do for fraud prevention.

## **12. COMMUNICATION**

### **A. Board**

Member Todd Gestrin shared that he had put information out on Facebook to see what people were thinking and the bulk of the responses has been positive. The items brought up are good items for the district to think about. The community responded well and he will forward the information he gleaned to Superintendent Yates to review.

### **B. Superintendent**

Superintendent Yates welcomed Steve Woodcock and Susanne Stefani to the administration team and shared that he is excited to have them as a part of our school district staff.

## **13. ADJOURNMENT**

There being no further business before the Board, the meeting was adjourned at 7:35 PM.

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Tom Oliver, Chair

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Bo Yates, Superintendent



485 S. Fifth Street, Lebanon, Oregon 97355 • Phone: (541) 451-8511 • Fax: (541) 259-6857

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DATE: March 11, 2021

TO: Board of Directors

FROM: Monica Graves

RE: Public Comment to the Board

Integrity is not asking someone else to do something you aren't willing to do yourself.

I have 2 high school athletes. One opted out of football because it is a struggle to breathe while exercising & wearing a mask. The other is now asking to quit soccer because she can't catch her breath with her mask on and if she pulls it down to catch her breath her coach yells at her to pull it back up.

Oxygen is the most basic human right and your decisions are depriving our student athletes of that very right.

How many of you put in a cloth mask and ran back and forth for 2 hours before making the decision to force our children to do that? At what point would you need to stop and take your mask off so you could breathe if you actually had enough integrity to first do what you are forcing our student athletes to do?

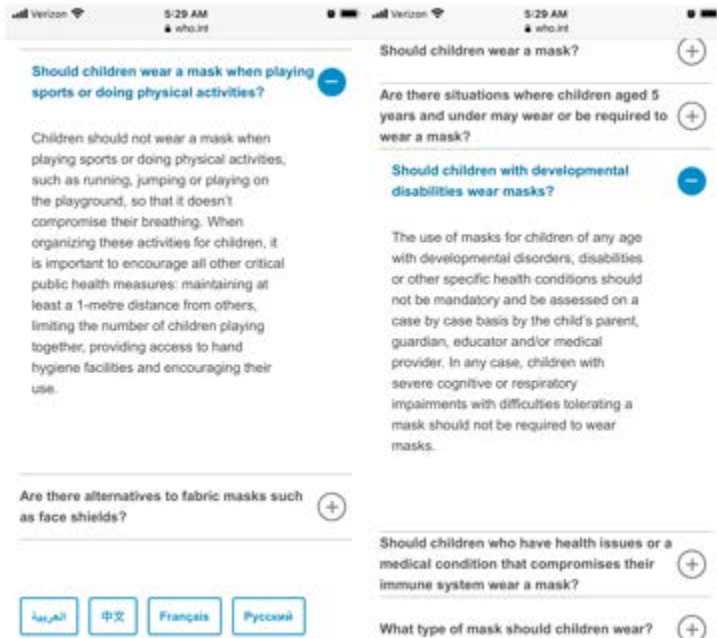
Do you watch pro sports? Do you see any of those athletes wearing masks while on the court or fueled? If it's not expected of top athletes- why would you expect it of student athletes?

The world health organization says children SHOULD NOT wear masks while doing physical activity. Here is the link: <https://www.who.int/news-room/q-a-detail/q-a-children-and-masks-related-to-covid-19>

Below are two screen shots from that page. Is there some science that our school board is aware of that the World Health Organization is not?

Please give our student athletes back the basic human right to breathe oxygen while they are exerting themselves. Their well being depends on it.

Monica Graves



## Employment Status (Licensed)

Recommended Status Beginning 201-22 School Year

<i><b>Employee</b></i>	<i><b>Position Category</b></i>	<i><b>Recommended Status</b></i>
Baldwin, Bart C	Secondary Teacher	Probationary 2
Bell, Kacie	Secondary Teacher	Probationary 2
Blickenstaff, Eric J	Mental Health	Probationary 2
Broadhurst, Jenna R	Speech Pathologist/Therapist	Probationary 2
Conraads, Kelli A	Counselor	Probationary 2
Cox, Sandi E	Mental Health	Probationary 2
Eng, Marissa M	Elementary Teacher	Probationary 2
Johnson, Jacob L	Secondary Teacher	Probationary 2
Kinney, Kristina N	Elementary Teacher	Probationary 2
Kuenzi, Lisa J	Educational Interpreter	Probationary 2
Mulholland, Tayo L P	Elementary Teacher	Probationary 2
Nisbett, Caitlin E	Elementary Teacher	Probationary 2
Renner, Ryan L	Secondary Teacher	Probationary 2
Taylor, Dylan J	Secondary Teacher	Probationary 2
Treadway, Miranda M	Elementary Teacher	Probationary 2
Van Patten, Candace M	Special Education Teacher	Probationary 2
VaVerka, Thomas G	Secondary Teacher	Probationary 2
Bower, William K	Counselor	Probationary 3
Brand, Ashley M	Elementary Teacher	Probationary 3
Calder, Kyle B	Secondary Teacher	Probationary 3
Chapman, Nicholas L	Elementary Teacher	Probationary 3
Dai, Joy	Speech Pathologist/Therapist	Probationary 3
Donohue, Sarah M	Elementary Teacher	Probationary 3
Eason, Laura M	Elementary Teacher	Probationary 3
Evans, Andrew M	Secondary Teacher	Probationary 3

## Employment Status (Licensed)

Recommended Status Beginning 201-22 School Year

<i><b>Employee</b></i>	<i><b>Position Category</b></i>	<i><b>Recommended Status</b></i>
Hornstein, Laura M	Counselor	Probationary 3
Maxwell, Tanya M	Counselor	Probationary 3
McHill, Colin J	Special Education Teacher	Probationary 3
Miles, Noah A	Secondary Teacher	Probationary 3
Moore, Elisabeth M	Elementary Teacher	Probationary 3
Mynar, Kimberly A	Elementary Teacher	Probationary 3
Novak, Ethan A	Elementary Teacher	Probationary 3
Ramirez, Tabitha L	Elementary Teacher	Probationary 3
Robinson, Carole A	Secondary Teacher	Probationary 3
Rucinski, Ashton R	Elementary Teacher	Probationary 3
Tait, Madeline T	Elementary Teacher	Probationary 3
Woods, Rachel J	Elementary Teacher	Probationary 3
Abbott, Lana J	Secondary Teacher	Contract
Bernard, Jonathon W	Secondary Teacher	Contract
Bond, Gregory A	Secondary Teacher	Contract
Brammer, Evan E	Elementary Teacher	Contract
Burian, Samantha M	Elementary Teacher	Contract
Caraballo, Acacia C	Secondary Teacher	Contract
Collins, Kathryn R	Secondary Teacher	Contract
Crawford, Summer S	Elementary Teacher	Contract
Cupparo, Nicholas J	Secondary Teacher	Contract
Dutra, Aubrey	Secondary Teacher	Contract
Ford, Jacob J	Secondary Teacher	Contract
Forrest, Erin L	Elementary Teacher	Contract
Gehrett, Heather M	Elementary Teacher	Contract

## Employment Status (Licensed)

Recommended Status Beginning 201-22 School Year

<i><b>Employee</b></i>	<i><b>Position Category</b></i>	<i><b>Recommended Status</b></i>
Gibson, Jeremy W	Secondary Teacher	Contract
Gould, Samantha N	Secondary Teacher	Contract
Hagner, Kate A	Counselor	Contract
Hamlin-Alexander, Sarah C	Counselor	Contract
Heater, Chelsea E	Secondary Teacher	Contract
Hudson, Sarah M	Counselor	Contract
Iacopino, Andrea L	Elementary Teacher	Contract
Jetton, Rachel F	Elementary Teacher	Contract
Lemerande, Madeline A M	Elementary Teacher	Contract
May, Breanne D N	Secondary Teacher	Contract
Pappin, Maureen R	Elementary Teacher	Contract
Pearson, Brenda S	Secondary Teacher	Contract
Redfern, Christine E	Elementary Teacher	Contract
Rhyno, Hannah L I	Elementary Teacher	Contract
Riegle Steiner, Katelyn M	Secondary Teacher	Contract
Robison, Mitchell G	Special Education Teacher	Contract
Savedra, Roxanne L	Special Education Teacher	Contract
Schmidt McNeil, Jennifer A	Secondary Teacher	Contract
Seagrave, Elizabeth M	Counselor	Contract
Selzer, Erik J	Elementary Teacher	Contract
Soto, Mercedes L	Special Education Teacher	Contract
Stevens, Katherine L	Secondary Teacher	Contract
Swafford, Joan M	Secondary Teacher	Contract
VandenBos, Jessica L	Special Education Teacher	Contract
Vore, Daniel B	Secondary Teacher	Contract
Wyatt, Morgan P	Elementary Teacher	Contract

## Employment Status (Licensed)

Recommended Status Beginning 201-22 School Year

<i><b>Employee</b></i>	<i><b>Position Category</b></i>	<i><b>Recommended Status</b></i>
Bain, Kerri L	Elementary Teacher	Extension
Balvin, Ellen M	Special Education Teacher	Extension
Barr, Linda M	Special Education Teacher	Extension
Bauer, Bradley L	Secondary Teacher	Extension
Bauer, Nancy L	Secondary Teacher	Extension
Beiser, Emily R	Elementary Teacher	Extension
Benedict, Mardy R	Secondary Teacher	Extension
Bicknell, Paige V Niemi	Elementary Teacher	Extension
Bowman, Nicholas L	Elementary Teacher	Extension
Broadhurst, Catherine L	Speech Pathologist/Therapist	Extension
Brown, Tamara L	Elementary Teacher	Extension
Brown, Victoria L	Elementary Teacher	Extension
Canaday, Lisa M	Secondary Teacher	Extension
Carpenter-Walker, Tina R	Secondary Teacher	Extension
Carroll, Leslie A	Elementary Teacher	Extension
Claborn, Glenda F	Elementary Teacher	Extension
Cleveland, Kelly J	Elementary Teacher	Extension
Coleman, Kim M	Elementary Teacher	Extension
Cook, Kristoffer M	Secondary Teacher	Extension
Cooper, Erica L	Elementary Teacher	Extension
Cox, Robert M	Secondary Teacher	Extension
Craig, Susan E	Elementary Teacher	Extension
Craig, Teresa R	Elementary Teacher	Extension
Creel, Anna M	Elementary Teacher	Extension
Da Silva, Ashley J	Secondary Teacher	Extension

## Employment Status (Licensed)

Recommended Status Beginning 201-22 School Year

<i><b>Employee</b></i>	<i><b>Position Category</b></i>	<i><b>Recommended Status</b></i>
Davenport, Tracie A	Secondary Teacher	Extension
De Luna, Luis D	Secondary Teacher	Extension
Dickey, Nathan B	Secondary Teacher	Extension
Docherty, Dara J	Secondary Teacher	Extension
Dorn, Roxanna S	Secondary Teacher	Extension
Durski, Shantel L	Elementary Teacher	Extension
Eberhart, Cameron W	Secondary Teacher	Extension
Etter, Heidi B	Elementary Teacher	Extension
Felton Rosulek, Laura A	Speech Pathologist/Therapist	Extension
Formiller, Celia E	Elementary Teacher	Extension
Frazier, Eric J	Secondary Teacher	Extension
Fritzler, Angelica S	Elementary Teacher	Extension
Gault, Curtis M	Secondary Teacher	Extension
George, Amber M	Elementary Teacher	Extension
George, Rick D	Elementary Teacher	Extension
Gillott, David C	Elementary Teacher	Extension
Golub, Moria R	Counselor	Extension
Gomez, Victor G	Special Education Teacher	Extension
Gosda, Holly R	Elementary Teacher	Extension
Groner, Rebecca A	Elementary Teacher	Extension
Haley, Sarah P	Elementary Teacher	Extension
Hammerquist, Sara L	Elementary Teacher	Extension
Hara, Marcia J	Secondary Teacher	Extension
Harmon, Dannie L II	Elementary Teacher	Extension
Harry, Ashlea K	Elementary Teacher	Extension



## Employment Status (Licensed)

Recommended Status Beginning 201-22 School Year

<i><b>Employee</b></i>	<i><b>Position Category</b></i>	<i><b>Recommended Status</b></i>
Hehn, Lindsay M	Secondary Teacher	Extension
Heidrick, Jeffrey R	Special Education Teacher	Extension
Helland, Harry T	Secondary Teacher	Extension
Hoke, Steven R	Secondary Teacher	Extension
Holt, Maureen J	Elementary Teacher	Extension
Horne, Jana M	Elementary Teacher	Extension
Hostetter, Sonya M	Special Education Teacher	Extension
Jackson, Leanne M	Elementary Teacher	Extension
Jordan-Zornow, Lisa M	Secondary Teacher	Extension
Judy, Kristopher A	Secondary Teacher	Extension
King, Ryan R	Secondary Teacher	Extension
Lanzarone, Virginia Blair	Elementary Teacher	Extension
Larcombe, Matthew N	Secondary Teacher	Extension
Latimer, Emily A	Secondary Teacher	Extension
Long, Della E	Elementary Teacher	Extension
Lord, Elizabeth I	Counselor	Extension
Luebke, Natalia M	Elementary Teacher	Extension
Luebke, Ryan M	Elementary Teacher	Extension
Marshall, Lori A	Speech Pathologist/Therapist	Extension
Mathios, Peter K	Special Education Teacher	Extension
McAllister, Kelly L	Special Education Teacher	Extension
McCormick, Melanie E	Elementary Teacher	Extension
McDowell, Misty J	Special Education Teacher	Extension
McGovern, Patrick R	Elementary Teacher	Extension
McGuire, Laura A	Secondary Teacher	Extension

## Employment Status (Licensed)

Recommended Status Beginning 201-22 School Year

<i><b>Employee</b></i>	<i><b>Position Category</b></i>	<i><b>Recommended Status</b></i>
McIntyre, Debra L	Secondary Teacher	Extension
McKibben, Cathy A	Elementary Teacher	Extension
McWayne, Ryan P	Elementary Teacher	Extension
Medley, Nicole D	Elementary Teacher	Extension
Meek, Alaina C	Special Education Teacher	Extension
Meek, David L	Secondary Teacher	Extension
Mills, Lori A	Elementary Teacher	Extension
Moore, Chad K	Secondary Teacher	Extension
Moore, Martha V	Special Education Teacher	Extension
Nortune, Janet R	Elementary Teacher	Extension
Persons, Katie J Smart	Elementary Teacher	Extension
Peters, Judy I	Special Education Teacher	Extension
Phillips, Kirk A	Title I	Extension
Pierce, Ryan W	Secondary Teacher	Extension
Poe, Stacy	Elementary Teacher	Extension
Poole, Rachael K	Secondary Teacher	Extension
Quigley, Jennifer M	Elementary Teacher	Extension
Ragan, Julie L	Title I	Extension
Rainey, Leah A	Secondary Teacher	Extension
Randklev, Bonita D	Secondary Teacher	Extension
Rediger, Merrill T	Secondary Teacher	Extension
Richard, Lisa M	Elementary Teacher	Extension
Rieke, Grace E	Elementary Teacher	Extension
Roberts, Annette M	Special Education Teacher	Extension
Robinson, Carmen B	Elementary Teacher	Extension

## Employment Status (Licensed)

Recommended Status Beginning 201-22 School Year

<i><b>Employee</b></i>	<i><b>Position Category</b></i>	<i><b>Recommended Status</b></i>
Rogers, Sara B	Elementary Teacher	Extension
Rowley, Timothy E	Secondary Teacher	Extension
Sater, Amanda A	Elementary Teacher	Extension
Schuh, Carla R	Elementary Teacher	Extension
Seibert, Mandy B	Elementary Teacher	Extension
Sell, Michael W	Secondary Teacher	Extension
Shearon, Benjamin P	Secondary Teacher	Extension
Shrum, Kenneth D	Elementary Teacher	Extension
Shrum, Sandra K	Special Education Teacher	Extension
Sickels, Karen L	Counselor	Extension
Smith, Aaron Z	Secondary Teacher	Extension
Speldrich, Eric J	Elementary Teacher	Extension
Stainbrook, Desiree F	Elementary Teacher	Extension
Stutz, Melissa L	Elementary Teacher	Extension
Suing, Joan E	Elementary Teacher	Extension
Swanson, Jordan N	Secondary Teacher	Extension
Tasner, Christopher M	Secondary Teacher	Extension
Tenbusch, Molly A	Special Education Teacher	Extension
Thompson, Allison J	Special Education Teacher	Extension
Tomlin, Robert T	Secondary Teacher	Extension
Trask, Craig A	Secondary Teacher	Extension
Trask, Stefanie L	Elementary Teacher	Extension
Ulibarri, Kelly J	Elementary Teacher	Extension
Vandehey, Mark A	Secondary Teacher	Extension
VandenBos, Casey T	Secondary Teacher	Extension

## Employment Status (Licensed)

Recommended Status Beginning 201-22 School Year

<i><b>Employee</b></i>	<i><b>Position Category</b></i>	<i><b>Recommended Status</b></i>
Varner, Deanna L	Secondary Teacher	Extension
Wade, Tessia A	Special Education Teacher	Extension
Walker, Abbey K	Elementary Teacher	Extension
Waters, Stephanie L	Elementary Teacher	Extension
Webb, Nancy L	Elementary Teacher	Extension
Wegner, Julia V	Elementary Teacher	Extension
Weist, Brandon J	Elementary Teacher	Extension
Wells, Jacque J	Elementary Teacher	Extension
Whittaker, Emmet E	Secondary Teacher	Extension
Williams, Jaime L	Elementary Teacher	Extension
Wilson, Mike A	Secondary Teacher	Extension
Wong, Kevin	Secondary Teacher	Extension
Wood, Kari L	Special Education Teacher	Extension
Woody, Miranda J	Elementary Teacher	Extension
Work, Meredith A	Secondary Teacher	Extension
Wyatt, Breeanne N	Elementary Teacher	Extension
York, Gail C	Title I	Extension

## Employment Status (Licensed)

Recommended Status Beginning 201-22 School Year

<i><b>Employee</b></i>	<i><b>Position Category</b></i>	<i><b>Recommended Status</b></i>
Zornow, Robert N	Secondary Teacher	Extension
<b>Information only</b>		
Brownell, Brittany M	Elementary Teacher	Temporary Contract expires 6/30/2021
Farnell, Emily E	Secondary Teacher	Temporary Contract expires 6/30/2021
Ford, Traci S	Elementary Teacher	Temporary Contract expires 6/30/2021
Kosmowski, Katelyn L	Elementary Teacher	Temporary Contract expires 6/30/2021
Marshall, Kayla M	Elementary Teacher	Temporary Contract expires 6/30/2021
Paul, Tina M	Elementary Teacher	Temporary Contract expires 6/30/2021
Price, Debra M	Elementary Teacher	Temporary Contract expires 6/30/2021
Sansom, Quinn T	Secondary Teacher	Temporary Contract expires 6/30/2021
Shryock, Madison M	Secondary Teacher	Temporary Contract expires 6/30/2021
Zeller, Crystal I	Elementary Teacher	Temporary Contract expires 6/30/2021

## Employment Status (Administrators)

Recommended Status Beginning 2021-22 School Year

<b><i>Employee</i></b>	<b><i>Position Category</i></b>	<b><i>Recommended Status</i></b>
Landy, Angela	Associate Principal	Probationary 3
Swanson, Craig	Principal	Probationary 3
Cannon, Rachel B	Director of Alternative Education	Contract
Hillman, Michael J	Co-Principal	Contract
Van Zee, Kevin M	Co-Principal	Contract
Cairo, Tonya M	Principal	Extension
Christner, Ryan C	Principal	Extension
Ford, Jordon M	Principal	Extension
Geoghegan, Timothy A	Principal	Extension
Hoene, Kraig J	Associate Principal	Extension
Plummer, Amanda L	Principal	Extension
Shanks, Christina L	Associate Principal	Extension
Vore, Joseph S	Principal	Extension

## Employment Status (Directors/Supervisors and Confidential Staff)

Recommended Status Beginning 2021-22 School Year

<i><b>Employee</b></i>	<i><b>Position Title</b></i>	<i><b>Recommended Status</b></i>	<i><b>Current Assignment</b></i>
Boykin, Marion	Custodial Supervisor	Renewal	Supervisor
Eilers, Bryan	Maintenance Supervisor	Renewal	Supervisor
Estes, Maggi	Director of Transportation	Renewal	Director
Gorman, Angela	Director of Nutrition	Renewal	Director
Grousbeck, Kimberly	Director of Human Resources	Renewal	Director
Lewis, William	Director of Business	Renewal	Director
Hankins, Ginger	Payroll Specialist	Renewal	Confidential
Hopkins, Ruth	Executive Secertary	Renewal	Confidential
Meyer, Andrea	Human Resource Specialist	Renewal	Confidential
Fyke, Denise	Human Resource Specialist	Renewal	Confidential
Otta, Susan K	Payroll Specialist	Renewal	Confidential

**LEBANON SCHOOL DISTRICT**  
**LEBANON, OREGON**

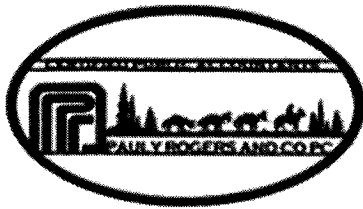
**COMMUNICATION TO THE GOVERNING BODY**

**FOR THE YEAR ENDED JUNE 30, 2020**



**12700 SW 72<sup>nd</sup> Ave.  
Tigard, OR 97223**





PAULY, ROGERS AND CO., P.C.  
12700 SW 72<sup>nd</sup> Ave. ♦ Tigard, OR 97223  
(503) 620-2632 ♦ (503) 684-7523 FAX  
www.paulyrogersandcocpas.com

December 21, 2020

To the Board of Directors  
Lebanon Community School District No. 9  
Linn County, Oregon

We have audited the basic financial statements of the governmental activities, business-type activities, and each major fund of Lebanon Community School District (the District) for the year ended June 30, 2020. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards and Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*, as well as certain information related to the planned scope and timing of our audit. Professional standards also require that we communicate to you the following information related to our audit.

### **Purpose of the Audit**

Our audit was conducted using sampling, inquiries and analytical work to opine on the fair presentation of the basic financial statements and compliance with:

- generally accepted accounting principles and auditing standards
- the Oregon Municipal Audit Law and the related administrative rules
- federal, state and other agency rules and regulations related to expenditures of federal awards

### **Our Responsibility under U.S. Generally Accepted Auditing Standards and the Uniform Guidance**

As stated in our engagement letter, our responsibility, as described by professional standards, is to express opinions about whether the basic financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit of the basic financial statements does not relieve you or management of your responsibilities. Our engagement letter details our nonaudit services we provide; these services do not constitute an audit under Government Auditing Standards.

In planning and performing our audit, we considered internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinions on the basic financial statements and not to provide assurance on the internal control over financial reporting. We also considered internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with the Uniform Guidance.

As part of obtaining reasonable assurance about whether the basic financial statements are free of material misstatement, we performed tests of compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of the basic financial statement amounts. However, providing an opinion on compliance with those provisions is not an objective of our audit. Also in accordance with the Uniform Guidance, we examined, on a test basis, evidence about compliance with the types of compliance requirements described in the OMB's Compliance Supplement applicable to each of the major federal programs for the purpose of expressing an opinion on compliance with those requirements. While our audit provided a reasonable basis for our opinion, it does not provide a legal determination on compliance with those requirements.

### **Planned Scope and Timing of the Audit**

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements; therefore, our audit involved judgment about the number of transactions examined and the areas to be tested.

Our audit included obtaining an understanding of the District and its environment, including internal control, sufficient to assess the risks of material misstatement of the basic financial statements and to design the nature, timing, and extent of further audit procedures. Material misstatements may result from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the District or to acts by management or employees acting on behalf of the District. We also communicated any internal control related matters that are required to be communicated under professional standards.

### **Results of Audit**

1. Audit opinion letter – a modified opinion on the basic financial statements has been issued, due to the District not having a current actuarial valuation of post-employment benefits related to the implicit healthcare subsidy.
2. State minimum standards – We found no exceptions or issues requiring comment, except as noted on page 52 of the financial report.
3. Federal Awards - We found one issue of non-compliance and no questioned costs. We have responsibility to review these programs and give our opinion on the schedule of expenditures of federal awards, and tests of the internal control system, compliance with laws and regulations, and general and specific requirements mandated by the various awards.
4. Management letter – No separate management letter was issued, as our finding can be found in the Federal Awards section of the financial report.

### **Significant Audit Findings**

#### *Qualitative Aspects of Accounting Practices*

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used are described in Note 1 to the basic financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the fiscal year ended June 30, 2020. We noted no transactions entered into during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the basic financial statements in the proper period.

Accounting estimates are an integral part of the basic financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the basic financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the basic financial statements were management's estimates of receivables, net PERS pension liability and deferrals, RHIA asset and deferrals, and post-employment benefits for stipends and deferrals, and capital asset depreciation, which are based on estimated collectability of receivables, actuarial assumptions, and useful lives of assets. We evaluated the key factors and assumptions used to develop these estimates in determining that they are reasonable in relation to the basic financial statements taken as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The disclosures in the basic financial statements are neutral, consistent, and clear.

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*Difficulties Encountered in Performing the Audit*

We encountered no difficulties in dealing with management in performing and completing our audit.

*Corrected and Uncorrected Misstatements*

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements or determined that their effects are immaterial. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, taken as a whole. There were immaterial uncorrected misstatements noted during the audit which were discussed with management.

*Disagreements with Management*

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the basic financial statements or the auditors' report. We are pleased to report that no such disagreements arose during the course of our audit.

*Management Representations*

We have requested certain representations from management that are included in the management representation letter.

*Management Consultations with Other Independent Accountants*

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the basic financial statements or a determination of the type of auditors' opinion that may be expressed on those basic statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

*Other Audit Findings or Issues*

We generally discuss a variety of matters, including the application of accounting principles and auditing standards with management each year prior to our retention as the auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

*Required Supplementary Information*

We applied certain limited procedures to the required supplementary information that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the required supplementary information and do not express an opinion or provide any assurance on it except for the budgetary statements included as required supplementary information.

*Supplementary Information*

We were engaged to report on the supplementary information and Schedule of Expenditures of Federal Awards, which accompany the basic financial statements but are not required supplementary information. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and

Pauly, Rogers and Co., P.C.

methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the basic financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the basic financial statements or to the basic financial statements themselves.

### *Other Information*

We were not engaged to report on the other information, as listed in the table of contents, or the board list, located before the table of contents, which accompany the basic financial statements but are not required supplementary information. Such information had not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

### **Other Matters – Future Accounting and Auditing Issues**

In order to keep you aware of new auditing standards issued by the American Institute of Certified Public Accountants and accounting statements issued by the Governmental Accounting Standards Board (GASB), we have prepared the following summary of the more significant upcoming issues:

#### **GASB 84 – FIDUCIARY ACTIVITIES**

This statement is effective for reporting periods beginning after December 15, 2019, as extended by GASB 95. The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. This Statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities. An activity meeting the criteria should be reported in a fiduciary fund in the basic financial statements. Governments with activities meeting the criteria should present a statement of changes in fiduciary net position. An exception to that requirement is provided for a business-type activity that normally expects to hold custodial assets for three months or less.

This Statement describes four fiduciary funds that should be reported, if applicable: (1) pension (and other employee benefit) trust funds, (2) investment trust funds, (3) private-purpose trust funds, and (4) custodial funds. Custodial funds generally should report fiduciary activities that are not held in a trust or equivalent arrangement that meets specific criteria. A fiduciary component unit, when reported in the fiduciary fund financial statements of a primary government, should combine its information with its component units that are fiduciary component units and aggregate that combined information with the primary government's fiduciary funds. This Statement also provides for recognition of a liability to the beneficiaries in a fiduciary fund when an event has occurred that compels the government to disburse fiduciary resources. Events that compel a government to disburse fiduciary resources occur when a demand for the resources has been made or when no further action, approval, or condition is required to be taken or met by the beneficiary to release the assets.

#### **GASB 87 – LEASES**

This Statement is effective for fiscal years beginning after June 15, 2021, as extended by GASB 95. The primary objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities

for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities.

**GASB 89 – ACCOUNTING FOR INTEREST COST INCURRED BEFORE THE END OF A CONSTRUCTION PERIOD**

This Statement is effective for fiscal years beginning after December 15, 2020, as extended by GASB 95. The objectives of this Statement are to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and to simplify accounting for interest cost incurred before the end of a construction period. This Statement establishes accounting requirements for interest cost incurred before the end of a construction period. Such interest cost includes all interest that previously was accounted for in accordance with the requirements of paragraphs 5-22 of Statement No. 62, Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 2989 FASB and AICPA Pronouncements, which are superseded by this Statement. This Statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. As a result, interest cost incurred before the end of a construction period will not be included in the historical cost of a capital asset reported in a business-type activity or enterprise fund. This Statement also reiterates that in financial statements prepared using the current financial resources measurement focus, interest cost incurred before the end of a construction period should be recognized as an expenditure on a basis consistent with governmental fund accounting principles.

**GASB 91 – CONDUIT DEBT OBLIGATIONS**

This Statement is effective for fiscal years beginning after December 15, 2021, as extended by GASB 95. The primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This Statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures.

**Best Practices – Not Significant Deficiencies**

1. Fidelity Insurance Coverage

In reviewing fidelity (employee honesty) insurance coverage we found that the District often carries cash and investment balances in excess of the insurance coverage amount. We recommend that the Board examine this exposure risk and make a determination as to the amount of insurance coverage they feel is prudent in regard to their oversight.

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2. Governing Body Monitoring

An integral part of internal controls is the monitoring of financial activities by those charged with governance (the Board). This can be accomplished by asking specifically designed questions to senior staff, by reviewing basic financial statements and projections and by comparing financial results to pre-established benchmarks. While the Board participates in the budget adoption process and receives staff prepared basic financial statements, these only partially fulfill the monitoring function. We recommend that the Board articulate their monitoring practices and record in the minutes when those activities occur.

This information is intended solely for the information and use of the Board of Directors and management and is not intended to be and should not be used by anyone other than these specified parties.



ROY R. ROGERS, CPA  
PAULY, ROGERS AND CO., P.C.

**LEBANON COMMUNITY SCHOOL DISTRICT NO. 9**  
**LEBANON, OREGON**

**FINANCIAL REPORT**  
**For the Year Ended June 30, 2020**



**12700 SW 72<sup>nd</sup> Ave.**  
**Tigard, OR 97223**

**LEBANON COMMUNITY SCHOOL DISTRICT NO. 9**  
**LEBANON, OREGON**

**BOARD OF DIRECTORS 2019-20**

Tom Oliver, Chair	June 30, 2021
Tammy Schilling	June 30, 2023
Mike Martin	June 30, 2021
Richard Borden	June 30, 2023
Todd Gestrin	June 30, 2021

**ADMINISTRATION**

Bo Yates, Superintendent  
Will Lewis, Business Director

Board members receive mail at the District address listed below.

Lebanon Community School District No. 9  
485 South 5th Street  
Lebanon, Oregon 97355



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**LEBANON COMMUNITY SCHOOL DISTRICT NO. 9**  
**LEBANON, OREGON**

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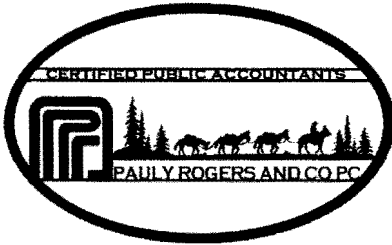
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**LEBANON COMMUNITY SCHOOL DISTRICT NO. 9**  
**LEBANON, OREGON**

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**PAULY, ROGERS, AND CO., P.C.**  
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December 21, 2020

## **INDEPENDENT AUDITORS' REPORT**

To the Board of Directors  
Lebanon Community School District No. 9  
Linn County, Oregon

### **Report on the Basic Financial Statements**

We have audited the accompanying basic financial statements of the governmental activities, business-type activities, each major fund and cash flows where applicable of the Lebanon Community School District, (the District), as of and for the year ended June 30, 2020, and the related notes to the basic financial statements, which collectively comprise the basic financial statements as listed in the table of contents. The financial statements as of the year ended June 30, 2019, were audited by other auditors whose report dated December 30, 2019, issued a modified opinion on those statements.

### **Management's Responsibility for the Basic Financial Statements**

Management is responsible for the preparation and fair presentation of these basic financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of basic financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditors' Responsibility**

Our responsibility is to express opinions on these basic financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the basic financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the basic financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the preparation and fair presentation of the basic financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the basic financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

## **Basis for Modified Opinion**

Management has not obtained an actuarial valuation of the post-employment benefit obligation related to the implicit healthcare subsidy in accordance with GASB 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions. Accounting principles generally accepted in the United States of America require that actuarially determined annual required contributions related to postemployment benefits, other than retirement benefits, attributable to employee services already rendered be recorded as expenses as employees earn the benefits, which, if not funded, would increase the liabilities, reduce the net position, and change the expenses of the governmental activities. The amount by which this departure would affect net position, liabilities and expenses of the governmental activities is not reasonably determinable.

## **Modified Opinions**

In our opinion, except for the effects of not providing an actuarially determined liability for other postemployment benefits as described in the preceding paragraph, the basic financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, and each major fund of Lebanon Community School District No. 9 as of June 30, 2020, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the required supplemental information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion nor provide any assurance on the schedules of net pension liability and contributions for PERS, the schedules of net OPEB asset and contributions for RHIA or the management's discussion and analysis because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance on them.

The budgetary comparison schedules presented as Required Supplementary Information, as listed in the table of contents, have been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures including comparing and reconciling such information directly to the underlying accounting records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America, and in our opinion are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

### *Supplementary Information*

Our audit was conducted for the purpose of forming opinions on the basic financial statements that collectively comprise the basic financial statements. The supplementary information, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations (CRF) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, and is not a required part of the basic financial statements. The supplementary information, and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

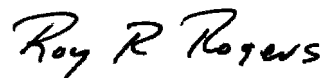
### *Other Information*

The listing of board members containing their term expiration dates, located before the table of contents, and the other information, as listed in the table of contents, have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

### **Reports on Other Legal and Regulatory Requirements**

In accordance with *Government Auditing Standards*, we have also issued our reports dated December 21, 2020 on our consideration of the internal control over financial reporting and on our tests of compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of the reports are to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. The reports are an integral part of an audit performed in accordance with *Government Auditing Standards* in considering internal control over financial reporting and compliance.

In accordance with Minimum Standards for Audits of Oregon Municipal Corporations, we have issued our report dated December 21, 2020, on our consideration of compliance with certain provisions of laws and regulations, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules. The purpose of that report is to describe the scope of our testing of compliance and the results of that testing and not to provide an opinion on compliance.



ROY R. ROGERS, CPA  
PAULY, ROGERS AND CO., P.C.

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## LEBANON COMMUNITY SCHOOL DISTRICT MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the Lebanon Community School District, we submit this narrative overview and analysis of the financial activities of the district for the fiscal year ended June 30, 2020. The intent of this discussion and analysis is to look at the District's financial performance as a whole; we encourage readers to consider the information presented here in conjunction with the financial statements and notes to the basic financial statements to enhance their understanding of the districts' financial performance.

### FINANCIAL HIGHLIGHTS

- At June 30, 2020, the District's total governmental fund balances equaled \$8,089,350.
- The General Fund had an ending balance of \$4,063,207.

### OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of a series of financial statements that show information for the district as a whole, its funds, and its fiduciary responsibilities. The Statement of Net Position and the Statement of Activities provides information about the activities of the District and presents a longer-term view of the District's finances. Our fund financial statements are included later in the financial report. The governmental activities statements tell how we financed our services in the short-term as well as what remains for future spending. Fund statements also may provide insight into the District's overall financial health. Fund financial statements report the District's operations in more detail than the government-wide financial statements by providing information about the District's major funds, including the general fund and the debt service fund.

### GOVERNMENT-WIDE FINANCIAL STATEMENTS

The government-wide financial statements present information on the District's finances in a manner similar to private sector companies. One of the most important questions asked about the District is, "Is the District better off or worse off financially as a result of the year's activities." The Statement of Net Position and Statement of Activities report information on the District as a whole and its activities in a way that helps answer this question. We prepared these statements to include all assets and liabilities using the accrual basis of accounting. All current year revenues and expenses are taken into account regardless of when cash is received or paid.

The Statement of Net Position focuses on resources available for future operations. In simple terms, this statement presents a snapshot view of what the District owns (assets), what it owes (liabilities), and the net difference between the two reported as net position. Capital assets and long-term liabilities are shown in the Statement of Net Position. Over time increases or decreases in net position may serve as a useful indication of whether the District's financial position is improving or deteriorating. To assess the overall health of the district you need to consider additional nonfinancial factors such as the property tax base, current property tax laws, student enrollment growth and facility conditions.

The Statement of Activities shows revenues, expenses, and the change in net position for the District as a whole. Revenues and expenses attributable to specific functions are segregated from general revenues, to display the extent to which general revenues support each function. This statement presents information showing how the District's net position changed during the most recent fiscal year.

### FUND FINANCIAL STATEMENTS

Governmental funds account for the same functions as reported as governmental activities in the government-wide financial statements. The governmental fund reporting focuses on how money flows in and out of funds and the balances left at year end that are available for spending. They are reported using the accounting method called "modified accrual" accounting, which measures cash and all other financial assets that can readily be converted to cash. This information is



essential for preparation of and compliance with annual budgets. We describe the relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds in reconciliations following the governmental funds statements. The notes to the financial statements provide additional information that is essential to a complete understanding of the data provided in the financial statements.

### GOVERNMENT-WIDE FINANCIAL ANALYSIS

**Statement of Net Position:** Total assets, liabilities and net position as of June 30, 2019 and June 30, 2020 are as follows (details on page 1):

Statement of Net Position				
	2020	2019	Change	%
<b>Assets</b>				
Current and other assets	\$ 10,428,521	\$ 12,859,146	\$ (2,430,625)	-18.9%
Pension/OPEB Related Deferred Outflows	20,049,925	18,462,414	1,587,511	8.6%
Capital assets, (net)	34,721,000	35,838,069	(1,117,069)	-3.1%
<b>Total assets and deferrals</b>	<b>65,199,446</b>	<b>67,159,629</b>	<b>(1,960,183)</b>	<b>-2.9%</b>
<b>Liabilities</b>				
Current Liabilities	3,644,301	5,796,186	(2,151,885)	-37.1%
Pension/OPEB Related Deferred Inflows	3,964,116	4,502,644	(538,528)	-12.0%
Long-term Liabilities	81,547,076	79,865,861	1,681,215	2.1%
<b>Total liabilities</b>	<b>89,155,493</b>	<b>90,164,691</b>	<b>(1,009,198)</b>	<b>-1.1%</b>
<b>Net position</b>				
Net investment in capital assets, net of related debt	(1,837,226)	(4,752,268)	2,915,042	-61.3%
Net position: restricted	6,210,725	2,723,987	3,486,738	128.0%
Net position: unrestricted	(28,329,546)	(20,976,784)	(7,352,762)	35.1%
<b>Total net position</b>	<b>\$ (23,956,047)</b>	<b>\$ (23,005,065)</b>	<b>\$ (950,982)</b>	<b>4.1%</b>

**Statement of Activities:** The district's revenues and expenses for fiscal year 2019-2020, as compared to fiscal year 2018-2019 are as follows (details on page 2):

<b>Statement of Activities</b>				
	2020	2019	Change	%
<b>Program revenues</b>				
Charges for services	\$ 199,698	\$ 320,221	\$ (120,523)	-37.6%
Operating grants and contributions	5,726,797	6,679,800	(953,003)	-14.3%
<b>Total program revenues</b>	<b>\$ 5,926,495</b>	<b>\$ 7,000,021</b>	<b>\$ (1,073,526)</b>	<b>-15.3%</b>
<b>General revenues</b>				
Property taxes	14,290,206	13,821,417	468,789	3.4%
State Revenue Sharing	31,161,848	28,346,284	2,815,564	9.9%
Miscellaneous	2,035,588	2,231,542	(195,954)	-8.8%
<b>Total general revenues</b>	<b>\$ 47,487,642</b>	<b>\$ 44,399,243</b>	<b>\$ 3,088,399</b>	<b>7.0%</b>
<b>Total revenues</b>	<b>\$ 53,414,137</b>	<b>\$ 51,399,264</b>	<b>\$ 2,014,873</b>	<b>3.9%</b>
<b>Expenses</b>				
Instruction	32,063,432	31,021,307	1,042,125	3.4%
Support services	18,433,526	17,813,498	620,028	3.5%
Enterprise and community services	2,102,567	2,037,535	65,032	3.2%
Facilities acquisition and construction	-	69,983	(69,983)	-100.0%
Unallocated Depreciation Expense	-	1,935,725	(1,935,725)	-100.0%
Interest on Long-Term Debt	1,765,594	1,863,400	(97,806)	-5.2%
<b>Total Expenses</b>	<b>\$ 54,365,119</b>	<b>\$ 54,741,448</b>	<b>\$ (376,329)</b>	<b>-0.7%</b>
<b>Change in net position</b>	<b>(950,982)</b>	<b>(3,342,184)</b>	<b>2,391,202</b>	<b>-71.5%</b>
<b>Beginning Net Position - As Restated</b>	<b>(23,005,065)</b>	<b>(19,662,881)</b>	<b>(3,342,184)</b>	<b>17.0%</b>
<b>Ending Net Position</b>	<b>\$ (23,956,047)</b>	<b>\$ (23,005,065)</b>	<b>\$ (950,982)</b>	<b>4.1%</b>

As stated earlier, net position over time may serve as a useful indicator of a government's financial position. As of June 30, 2020, the district's net position changed by \$950,982. The primary reason for this is the Net Pension Liability increase is related to the Districts proportional share of the of Oregon PERS systemwide liability in effect at the measurement date in accordance with GASB 68. For purposes of government-wide financial statements, this year to year adjustment amount is allocated to expenditures in each fiscal year. This adjustment is due to changes in total pension liability and changes in total pension asset and the fair value of pension plan net position available to pay pension benefits and does not reflect actual cash expenditures for the audit year.

## FUND FINANCIAL ANALYSIS

The focus of the governmental funds is to provide information on near-term inflows, outflows, and balances of expendable resources. Unreserved fund balance measures the District's net resources available for appropriation in the next fiscal year. As of June 30, 2020, total fund balance of the governmental funds was \$8,089,350. These amounts are available to use, in accordance with applicable restrictions for district expenditures.

Summary of Ending Fund Balances for 2019 and 2020 are as follows (details on page 5):

	<u>6/30/2020</u>	<u>6/30/2019</u>
General Fund	\$ 4,063,207	\$ 2,126,602
Other Governmental Funds	3,769,948	4,485,560
Debt Service Fund	256,195	429,783
	<u>\$ 8,089,350</u>	<u>\$ 7,041,945</u>

## CAPITAL ASSETS

Capital assets are those items that have an initial, individual cost of \$5,000 or more. Total capital assets were valued as follows on June 30, 2019 and June 30, 2020 (details on page 19):

	<u>6/30/2020</u>	<u>6/30/2019</u>
Land and Land Improvements	\$ 1,411,570	\$ 1,411,570
Buildings	93,940,389	93,788,628
Equipment	7,966,930	7,562,888
Construction in Progress	-	79,577
Accumulated Depreciation	(68,597,889)	(67,004,594)
	<u>\$ 34,721,000</u>	<u>\$ 35,838,069</u>

At June 30, 2020 the District had \$34,721,000 invested in a broad range of capital assets, including land, buildings, and equipment.

## DEBT ADMINISTRATION

Please see the Notes to the Basic Financial Statements (details on page 20) for debt maturity details. The district issued refunding bonds in December 2019 for the purpose of refunding its 2011 general obligation bonds in June 2021 at lower interest rates.

The district currently maintains an "A+" long-term rating from Standard & Poor's for general obligation debt due to participation in the Oregon School Bond Guarantee Program and an underlying rating of "A+".

## OTHER LONG TERM OBLIGATIONS

Beginning on page 21 of this document, the District's participation in the Oregon PERS plan is described and associated adjustments to assets and liabilities related to the plan are reported in the government-wide analysis reports on pages 1 through 4 as required by GASB 68. The District's liability for the present value of projected future postemployment benefits is described beginning on page 35 under Required Supplementary Information. An actuarial study of Postemployment Benefits Other Than Pensions is completed every two years.

## REQUESTS FOR INFORMATION

This financial report is designed to provide our stakeholders, investors and creditors with an overview of the District's finances. If you have any questions about this report or need any clarification of information please contact the Business Office at Lebanon Community School District #9, 485 S. 5<sup>th</sup> Street, Lebanon, Oregon 97355.

Respectfully submitted,

William H. Lewis III  
Business Director

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**BASIC FINANCIAL STATEMENTS**

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**LEBANON COMMUNITY SCHOOL DISTRICT NO. 9**  
**LEBANON, OREGON**

**STATEMENT OF NET POSITION**  
**June 30, 2020**

	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total Primary Government</b>
<b>ASSETS:</b>			
Cash and Investments	\$ 7,171,166	\$ -	\$ 7,171,166
Receivables:			
Accounts and Grants	1,892,914	-	1,892,914
Property Taxes	686,671	-	686,671
Inventory	12,904	283,716	296,620
Net OPEB RHIA Asset	381,150	-	381,150
Capital Assets - Nondepreciable	1,411,570	-	1,411,570
Capital Assets - Depreciable, Net of Depreciation	33,309,430	-	33,309,430
<b>Total Assets</b>	<b>44,865,805</b>	<b>283,716</b>	<b>45,149,521</b>
<b>DEFERRED OUTFLOWS OF RESOURCES:</b>			
Deferred Outflows Related to Debt Refunding	1,816,336	-	1,816,336
OPEB Related Outflows - RHIA	132	-	132
Pension Related Outflows - PERS	18,233,457	-	18,233,457
Total Deferred Outflows	20,049,925	-	20,049,925
<b>Total Assets and Related Deferrals</b>	<b>64,915,730</b>	<b>283,716</b>	<b>65,199,446</b>
<b>LIABILITIES:</b>			
Current Liabilities:			
Accounts Payable	185,354	3,596	188,950
Book Overdraft	-	52,515	52,515
Accrued Salaries and Benefits	796,515	-	796,515
Interest Payable	61,321	-	61,321
Long-Term Liabilities Due within one year	2,545,000	-	2,545,000
Non Current Liabilities:			
Long-Term Liabilities Due in more than one year	34,290,000	-	34,290,000
Bond Premium	1,539,562	-	1,539,562
Compensated Absences	197,020	-	197,020
Net Pension Liability - PERS	45,003,219	-	45,003,219
OPEB - Stipend	517,275	-	517,275
<b>Total Liabilities</b>	<b>85,135,266</b>	<b>56,111</b>	<b>85,191,377</b>
<b>DEFERRED INFLOWS OF RESOURCES:</b>			
OPEB Related Inflows - RHIA	78,763	-	78,763
Pension Related Inflows - PERS	3,885,353	-	3,885,353
Total Deferred Inflows	3,964,116	-	3,964,116
<b>Total Liabilities and Related Deferrals</b>	<b>89,099,382</b>	<b>56,111</b>	<b>89,155,493</b>
<b>NET POSITION:</b>			
Net Investment in Capital Assets	(1,837,226)	-	(1,837,226)
Restricted for:			
Deferred Outflows Related to Debt Refunding	1,816,336	-	1,816,336
OPEB - RHIA Asset	381,150	-	381,150
Grants, Food Service & Student Activities	3,757,044	-	3,757,044
Debt Service	256,195	-	256,195
Unrestricted	(28,557,151)	227,605	(28,329,546)
<b>Total Net Position</b>	<b>\$ (24,183,652)</b>	<b>\$ 227,605</b>	<b>\$ (23,956,047)</b>

See accompanying notes to the basic financial statements.



**LEBANON COMMUNITY SCHOOL DISTRICT NO. 9  
LEBANON, OREGON**

**STATEMENT OF ACTIVITIES  
For the Year Ended June 30, 2020**

Functions/Programs	Expense	Net (Expense) Revenue and Changes in Net Position				
		Program Revenues		Primary Government		
		Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-Type Activities	Totals
<b>Governmental Activities:</b>						
Instruction	\$ 32,063,430	\$ -	\$ 2,693,885	\$ (29,369,545)	\$ -	\$ (29,369,545)
Support Services	18,433,528	1,582	1,360,127	(17,071,819)	-	(17,071,819)
Community Services	2,102,567	198,116	1,672,785	(231,666)	-	(231,666)
Bond Issue Costs	-	-	-	-	-	-
Interest on Long-Term Debt	1,765,594	-	-	(1,765,594)	-	(1,765,594)
Unallocated Depreciation	-	-	-	-	-	-
<b>Total Governmental Activities</b>	<b>\$ 54,365,119</b>	<b>\$ 199,698</b>	<b>\$ 5,726,797</b>	<b>(48,438,624)</b>	<b>-</b>	<b>(48,438,624)</b>
<b>Business-Type activities</b>						
House construction	\$ -	\$ -	\$ -	-	-	-
<b>GENERAL REVENUES:</b>						
Property Taxes, Levied for Operations				10,496,974	-	10,496,974
Property Taxes, Levied for Debt Service				3,793,232	-	3,793,232
State Sources				31,161,848	-	31,161,848
Other Local Sources				1,120,764	-	1,120,764
Other Intermediate Sources				460,779	-	460,779
Investment Earnings				369,277	-	369,277
Debt Subsidy Rebate				43,114	-	43,114
Gain (Loss) on Disposal of Assets				15,750	25,904	41,654
<b>Total General Revenues</b>				<b>47,461,738</b>	<b>25,904</b>	<b>47,487,642</b>
Changes in Net Position				(976,886)	25,904	(950,982)
<b>Net Position - Beginning</b>				<b>(23,206,766)</b>	<b>201,701</b>	<b>(23,005,065)</b>
<b>Net Position - Ending</b>				<b>\$ (24,183,652)</b>	<b>\$ 227,605</b>	<b>\$ (23,956,047)</b>

See accompanying notes to the basic financial statements.

**LEBANON COMMUNITY SCHOOL DISTRICT NO. 9  
LEBANON, OREGON**

**BALANCE SHEET - GOVERNMENTAL FUNDS  
June 30, 2020**

	GENERAL FUND	SPECIAL GRANTS AND REVENUES FUND	DEBT SERVICE GO BOND FUND	TOTAL GOVERNMENTAL FUNDS
<b>ASSETS:</b>				
Cash and Investments	\$ 4,982,751	1,873,398	236,333	\$ 7,092,482
Inventory	-	12,904	-	12,904
Due from Other Funds	-	51,707	-	51,707
Receivables				
Accounts and Grants	9,228	172,631	-	181,859
Property Taxes	499,521	-	187,150	686,671
Intergovernmental Accounts	-	1,711,055	-	1,711,055
<b>Total Assets</b>	<b>\$ 5,491,500</b>	<b>\$ 3,821,695</b>	<b>\$ 423,483</b>	<b>\$ 9,736,678</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES:</b>				
<b>Liabilities:</b>				
Accounts Payable	\$ 133,607	51,747	-	\$ 185,354
Accrued Salaries and Benefits	796,515	-	-	796,515
Due To Other Funds	51,707	-	-	51,707
<b>Total Liabilities</b>	<b>981,829</b>	<b>51,747</b>	<b>-</b>	<b>1,033,576</b>
<b>Deferred Inflows of Resources:</b>				
Unavailable Revenue - Property Taxes	446,464	-	167,288	613,752
<b>Total Deferred Inflows of Resources</b>	<b>446,464</b>	<b>-</b>	<b>167,288</b>	<b>613,752</b>
<b>Fund Balances (Deficit):</b>				
Non-spendable	-	12,904	-	12,904
Restricted for:				
Grants, Food Service & Student Activities	-	3,757,044	-	3,757,044
Debt Service	-	-	256,195	256,195
Unassigned	4,063,207	-	-	4,063,207
<b>Total Fund Balances (Deficit)</b>	<b>4,063,207</b>	<b>3,769,948</b>	<b>256,195</b>	<b>8,089,350</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$ 5,491,500</b>	<b>\$ 3,821,695</b>	<b>\$ 423,483</b>	<b>\$ 9,736,678</b>

See accompanying notes to the basic financial statements.

**LEBANON COMMUNITY SCHOOL DISTRICT NO. 9**  
**LEBANON, OREGON**

**Reconciliation of the Governmental Funds**  
**Balance Sheet to the Statement of Net Position**  
**June 30, 2020**

<b>TOTAL FUND BALANCES-GOVERNMENTAL FUNDS</b>		<b>\$ 8,089,350</b>
 Capital assets are not financial resources and therefore are not reported in the governmental funds.		
Cost	\$103,318,889	
Accumulated Depreciation	<u>(68,597,889)</u>	34,721,000
 Deferred outflows of resources for debt refunding charges are not reported in the governmental funds		
		1,816,336
 The Net Pension Asset is the difference between the total pension liability and the assets set aside to pay benefits earned to past and current employees and beneficiaries.		
Net Pension Liability - PERS	(45,003,219)	
OPEB Liability - Stipend	(517,275)	
OPEB Asset - RHIA	<u>381,150</u>	(45,139,344)
 Deferred Inflows and Outflows of resources related to the pension plan include differences between expected and actual experience, changes of assumptions, differences between projected and actual earnings, and contributions subsequent to the measurement date.		
Net Pension Related Deferrals		
Deferred Inflows - PERS	(3,885,353)	
Deferred Inflows - RHIA	(78,763)	
Deferred Outflows - RHIA	132	
Deferred Outflows - PERS	<u>18,233,457</u>	14,269,473
 Long-term liabilities applicable to the District's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. Interest on long-term debt is not accrued in the governmental funds, but rather is recognized as an expenditure when due.		
Long term Liabilities:		
Bond Interest Payable	(61,321)	
Bond Premium	(1,539,562)	
Compensated Absences	(197,020)	
General Obligation Bonds Payable	<u>(36,835,000)</u>	(38,632,903)
 The internal service fund is used by management to charge the costs of unemployment insurance premiums to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net position.		
		78,684
 A portion of the District's property taxes are collected after year-end but are not available soon enough to pay for the current year's operations, and therefore are not reported as revenue in the governmental funds.		
Unavailable Revenue Related To Property Taxes.		<u>613,752</u>
 <b>TOTAL NET POSITION</b>		 <b>\$ <u>(24,183,652)</u></b>

See accompanying notes to the basic financial statements.

**LEBANON COMMUNITY SCHOOL DISTRICT NO. 9**  
**LEBANON, OREGON**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**For the Year Ended June 30, 2020**

	GENERAL FUND	SPECIAL GRANTS AND REVENUES FUND	DEBT SERVICE	TOTAL GOVERNMENTAL FUNDS
<b>REVENUES:</b>				
Local Sources	\$ 11,139,562	\$ 1,168,098	\$ 3,828,242	\$ 16,135,902
Intermediate Sources	421,626	39,153	-	460,779
State Sources	31,161,848	1,357,417	-	32,519,265
Federal Sources	235,786	3,971,562	-	4,207,348
<b>Total Revenues</b>	<b>42,958,822</b>	<b>6,536,230</b>	<b>3,828,242</b>	<b>53,323,294</b>
<b>EXPENDITURES:</b>				
Current:				
Instruction	25,520,241	3,867,111	-	29,387,352
Support Services	15,182,726	1,624,354	29,350	16,836,430
Community Services	-	1,927,082	-	1,927,082
Facilities Acquisition	-	93,295	-	93,295
Debt Service	-	-	4,065,594	4,065,594
<b>Total Expenditures</b>	<b>40,702,967</b>	<b>7,511,842</b>	<b>4,094,944</b>	<b>52,309,753</b>
Revenues Over (Under) Expenditures	2,255,855	(975,612)	(266,702)	1,013,541
<b>OTHER FINANCING SOURCES (USES)</b>				
Debt Proceeds	-	-	43,114	43,114
Transfer In	850,000	1,110,000	50,000	2,010,000
Transfer Out	(1,185,000)	(850,000)	-	(2,035,000)
Sale of Capital Assets	15,750	-	-	15,750
<b>Total Other Financing Sources (Uses)</b>	<b>(319,250)</b>	<b>260,000</b>	<b>93,114</b>	<b>33,864</b>
Net Change in Fund Balance	1,936,605	(715,612)	(173,588)	1,047,405
<b>Beginning Fund Balance</b>	<b>2,126,602</b>	<b>4,485,560</b>	<b>429,783</b>	<b>7,041,945</b>
<b>Ending Fund Balance</b>	<b>\$ 4,063,207</b>	<b>\$ 3,769,948</b>	<b>\$ 256,195</b>	<b>\$ 8,089,350</b>

See accompanying notes to the basic financial statements.

**LEBANON COMMUNITY SCHOOL DISTRICT NO. 9**  
**LEBANON, OREGON**

**Reconciliation of the Governmental Funds**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**to the Statement of Activities and Changes in Net Position**  
**For the Year Ended June 30, 2020**

**TOTAL NET CHANGES IN FUND BALANCES-GOVERNMENTAL FUNDS** **\$ 1,047,405**

Governmental funds report capital outlay as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation expense in the current period.

Expenditures for capital assets, Net	\$ 576,016	
Less current year depreciation, Net	<u>(1,693,085)</u>	(1,117,069)

The PERS Pension Expense represents the changes in Net Pension Liability from year to year due to changes in total pension liability and the fair value of pension plan net position available to pay pension benefits. (3,421,844)

Compensated absences are recognized as expenditure in the governmental funds when they are paid. In the Statement of Activities, these liabilities are recognized as an expenditure when earned. (16,857)

Long-term debt proceeds are reported as other financing sources in governmental funds. In the Statement of Net Position, however, issuing long-term debt increases liabilities. Similarly, repayment of principal is an expenditure in the governmental funds but reduces the liability in the Statement of Net Position. This is the amount by which proceeds exceeded repayments.

Issuance of New Debt (GO Bond 2019)	(18,790,000)	
Decrease in Cash with Bond Agent	(962,970)	
Deferred Outflow related to Debt Refunding (GO Bond 2011)	1,997,970	
Bonds Payments	20,055,000	
Premium Amortization	<u>950,775</u>	3,250,775

Change in net OPEB liability

Health Insurance	(116,326)	
Stipend	(479,959)	
RHIA	<u>91,481</u>	(504,804)

Governmental funds expend the costs of debt refunding. These costs are reported as deferred outflows of resources that are amortized in the Statement of Activities. (181,634)

Interest on long-term debt in the Statement of Activities differs from the amount reported in the governmental funds because interest is recognized as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the Statement of Activities, however, interest expense is recognized as the interest accrues, regardless of when it is due. 28,799

Internal service funds are used by management to charge the costs of insurance activities to individual funds. This activity is consolidated with the governmental activities in the Statement of Activities. (38,933)

Property taxes that do not meet the measurable and available criteria are not recognized as revenue in the current year in the governmental funds. In the Statement of Activities property taxes are recognized as revenue when levied.

Change in General Fund	(12,205)	
Change in Debt Service Fund	<u>(10,519)</u>	(22,724)

**CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES** **\$ (976,886)**

See accompanying notes to the basic financial statements.

**LEBANON COMMUNITY SCHOOL DISTRICT NO. 9**  
**LEBANON, OREGON**

**STATEMENT OF NET POSITION - PROPRIETARY FUND**  
**June 30, 2020**

<u>PROPRIETARY FUNDS</u>		
	<u>Business-Type Activity Enterprise Fund</u>	<u>Internal Service Fund Insurance</u>
<b>ASSETS</b>		
Current Assets:		
Cash and Cash Equivalents	\$ -	\$ 78,684
Work in Process	283,716	-
<b>TOTAL ASSETS</b>	<b>283,716</b>	<b>78,684</b>
<b>LIABILITIES</b>		
Current Liabilities:		
Accounts Payable	3,596	-
Book overdraft	52,515	-
<b>TOTAL LIABILITIES</b>	<b>56,111</b>	<b>-</b>
<b>NET POSITION</b>		
Unrestricted	227,605	78,684
<b>TOTAL NET POSITION</b>	<b>\$ 227,605</b>	<b>\$ 78,684</b>

See accompanying notes to the basic financial statements

LEBANON COMMUNITY SCHOOL DISTRICT NO. 9  
LEBANON, OREGON

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION  
PROPRIETARY FUND  
For the year ended June 30, 2020

<u>PROPRIETARY FUNDS</u>		
	Business-Type Activity Enterprise Fund	Internal Service Fund Insurance
TOTAL OPERATING REVENUES	\$ -	\$ -
OPERATING EXPENSES		
Instruction	-	-
Support services	-	63,933
	-	63,933
TOTAL OPERATING EXPENSES	-	63,933
OPERATING INCOME	-	(63,933)
NONOPERATING REVENUES (EXPENSES)		
Transfers In	-	25,000
Gain on Sale of Fixed Assets	25,904	-
	25,904	-
CHANGE IN NET POSITION	25,904	(38,933)
NET POSITION - BEGINNING	201,701	117,617
NET POSITION - ENDING	\$ 227,605	\$ 78,684

See accompanying notes to the basic financial statements

**LEBANON COMMUNITY SCHOOL DISTRICT NO. 9  
LEBANON, OREGON**

**STATEMENT OF CASH FLOWS  
PROPRIETARY FUND  
For the year ended June 30, 2020**

PROPRIETARY FUNDS

	Business-Type Activity Enterprise Fund	Internal Service Fund Insurance
CASH FLOWS FROM OPERATING ACTIVITIES		
Received for services	\$ 20	\$ -
Payments for goods and services	(25,924)	(63,934)
NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES	(25,904)	(63,934)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Gain on Sale of Fixed Assets	25,904	
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:		
Transfers	-	25,000
NET CASH USED BY FINANCING ACTIVITIES	25,904	25,000
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	-	(38,934)
CASH AND CASH EQUIVALENTS, BEGINNING	-	117,618
CASH AND CASH EQUIVALENTS, ENDING	\$ -	\$ 78,684
RECONCILIATION OF OPERATING LOSS TO NET CASH USED BY OPERATING ACTIVITIES:		
Operating Income (Loss)	\$ -	\$ (63,933)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:		
Decrease (increase) in Accounts Receivable	20	-
Decrease (increase) in Work in process inventory	(65,094)	-
Increase (decrease) in Accounts Payable	3,534	(1)
Increase (decrease) in Book overdraft	35,636	-
NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES	\$ (25,904)	\$ (63,934)

See accompanying notes to the basic financial statements



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**NOTES TO BASIC FINANCIAL STATEMENTS**

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**LEBANON COMMUNITY SCHOOL DISTRICT NO. 9**  
**LEBANON, OREGON**

**For the Year Ended June 30, 2020**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The basic financial statements have been prepared in conformity with accounting principles generally accepted in the United States of American (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant of the accounting policies are described below.

**A. The Financial Reporting Entity**

Lebanon Community School District (the District) is a municipal corporation governed by an elected Board of Directors. The District was organized under provision of Oregon Statutes Chapter 332 for the purpose of operating elementary and secondary schools. As required by accounting principles generally accepted in the United States of America, these basic financial statements present Lebanon Community School District No. 9 (the primary government) and any component units. There are various governmental agencies and special service districts that provide services within the boundaries of the District; however, the District is not financially accountable for any of these entities, and, therefore, none of them are considered component units or included in these basic financial statements, except as noted below.

**B. Government-wide and Fund Financial Statements**

The Statement of Net Position and Statement of Activities display information as a whole.

The Statement of Net Position and the Statement of Activities were prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Revenues, expenses, gains, losses, assets and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33 "Accounting and Financial Reporting for Nonexchange Transactions." Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Program Revenues included in the Statement of Activities derive directly from the program itself or from parties outside taxpayers or citizenry, as a whole; program revenues reduce the cost of the function to be financed from the general revenues.

All direct expenses are reported by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. Interest on general long-term debt is considered an indirect expense and is reported separately on the Statement of Activities. In the process of aggregating data for the Statement of Net Position and the Statement of Activities, some amounts reported as interfund activity and balances in the funds were eliminated or reclassified. Interfund receivables and payables were eliminated to minimize the "grossing up" effect on assets and liabilities. The accounts are organized and operated on the basis of funds. A fund is an independent self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions.

**LEBANON COMMUNITY SCHOOL DISTRICT NO. 9**  
**LEBANON, OREGON**

**For the Year Ended June 30, 2020**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**GOVERNMENTAL FUND TYPES**

Governmental funds are used to account for general government activities. Governmental fund types use the flow of current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they are “measurable and available”). “Measurable” means the amount of the transaction can be determined and “available” means collectible within the current period or soon enough thereafter to pay liabilities of the current period which is 60 days. Property tax revenue and proceeds from sale of property are not considered available and, therefore, are not recognized until received. Expenditures are recorded when the liability is incurred, except for unmatured interest on general long-term debt which is recognized when due, interfund transactions, and compensated absences, claims and judgments, and pension and OPEB expenses which are not recognized as expenditures because they will be liquidated with future expendable financial resources.

Revenues susceptible to accrual are interest, state, county and local shared revenue and federal and state grants. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met.

Financial operations are accounted for in the following major funds:

**General Fund**

The General Fund is the primary operating fund of the District. It accounts for all financial resources except those required to be accounted for in another fund. The primary sources of revenue are property taxes and state revenues.

**Special Revenue Fund**

The Special Revenue Fund accounts for the proceeds of specific revenue sources that are restricted for specific purposes. The primary source of revenue is federal grants. The primary uses of revenue are for salaries and employment benefits, education program enhancement, and equipment purchases.

**Debt Service – GO Bonds Fund**

The Debt Service Fund accounts for the repayment of the District's long-term debt. The primary source of revenue is property taxes. The primary use of revenue is payment of principal and interest due on long-term debt.

In addition, the District reports the following proprietary funds:

**Enterprise Fund**

The Enterprise Fund is used to account for funds used to construct and sell homes through the vocational education program. The primary source of revenue is sales of finished goods.

**LEBANON COMMUNITY SCHOOL DISTRICT NO. 9**  
**LEBANON, OREGON**

**For the Year Ended June 30, 2020**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Internal Service Fund**

The Insurance Fund is used to account for funds allocated for unemployment benefits. The primary source of revenue is transfers from the General Fund. The primary use of revenue is for unemployment benefits.

Certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between funds included in governmental activities are eliminated.

**C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

Governmental funds are accounted for on a spending measurement focus. Only current assets and current liabilities are generally included in their balance sheet. Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current position.

The government-wide basic financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund basic financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, revenues are considered to be available if they are collected within 60 days of the end of the current fiscal year. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, pensions and OPEB expenses are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Property taxes associated with the current fiscal period, are considered to be susceptible to accrual, if received in cash by the District or a County collecting such taxes within 60 days after year-end. All other revenue items are recognized in the accounting period when they become both measurable and available.

The District did not implement the most current accounting guidance: GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*, which is a GAAP departure. If the District reported in accordance with the most recent GASB requirements, reported results would differ from those currently presented.

**LEBANON COMMUNITY SCHOOL DISTRICT NO. 9**  
**LEBANON, OREGON**

**For the Year Ended June 30, 2020**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**D. Assets, Liabilities, and Net Position**

**Cash and Investments**

Cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of ninety days or less from the date of acquisition. At June 30, 2020, short-term investments consist of the local government investment pool. Investments are stated at cost, which approximates market. The local government investment pool operates in accordance with appropriate state laws and regulations.

State statutes authorize the District to invest in legally issued general obligations of the United States, the agencies and instrumentalities of the United States and the States of Oregon, Washington, Idaho, or California, certain interest-bearing bonds, time deposit open accounts, certificates of deposit, and saving accounts in banks, mutual savings banks, and savings and loan associations that maintain a head office or a branch in this state in the capacity of a bank, mutual savings bank, or savings and loan association, and share accounts and savings accounts in credit unions in the name of, or for the benefit of, a member of the credit union pursuant to a plan of deferred compensation.

**Property Taxes**

Under state law, county governments are responsible for extending authorized property tax levies, computing tax rates, billing and collecting all property taxes, and making periodic remittances of collection to entities levying taxes. Property taxes are levied and become a lien as of July 1 on property values assessed as of June 30. Property taxes are payable in three installments, which are due of November 15, February 15, and May 15. Uncollected property taxes are shown as assets in the governmental funds. Property taxes collected within approximately 30 days of fiscal year-end are recognized as revenue, while the remaining are recorded as deferred inflows of resources because they are not deemed available to finance operations if the current period.

**Grants**

Unreimbursed expenditures due from grantor agencies are reflected in the basic financial statements as receivables and revenues. Grant revenues are recorded at the time eligible expenditures are incurred. Cash received from grantor agencies in excess of related grant expenditures is recorded as a liability in the balance sheet and statement of net position.

**Capital Assets**

Capital assets, which include property, plant and equipment, are reported in the government-wide basic financial statements. Capital assets are defined as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost where no historical records exist. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are charged to expenditures as incurred and are not capitalized. Capital outlays that significantly extend the useful life of capital assets are capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed.

**LEBANON COMMUNITY SCHOOL DISTRICT NO. 9**  
**LEBANON, OREGON**

**For the Year Ended June 30, 2020**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Land and constructions in process are not depreciated. Other capital assets are depreciated using the straight line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	100
Building Improvements	15-50
Vehicle Equipment	4-10
Film, Equipment and Video	5-10
Office Equipment	5
Computer Equipment	5

**Compensated Absences**

Amounts of vested or accumulated vacation leave that are expected to be liquidated with expendable available financial resources are reported as expenditures when paid. Amounts of vested or accumulated vacation leave that are not expected to be liquidated with expendable available financial resources are reported as long-term liabilities on the statement of net position. In accordance with the provisions of GASB Statement No. 47, *Accounting for Compensated Absences*, no liability is recorded for non-vesting accumulating rights to receive sick pay benefits.

**Long Term Obligations**

In the government-wide basic financial statements long-term debt is reported as a liability in the Statement of Net Position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the bonds outstanding method. Bonds payable are reported net of the applicable bond premium or discount.

In the fund basic financial statements, governmental fund types recognize bond premiums and discounts during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuance are reported as other financing sources while discounts on debt issuance are reported as other financing uses.

**Deferred Outflows/Inflows of Resources**

In addition to assets, the basic financial statements will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to future periods and so will not be recognized as an outflow of resources (expense/expenditure) until then. At June 30, 2020, there were deferred outflows representing PERS pension related deferrals, OPEB-RHIA related deferrals, and deferred outflows related to debt refunding in the Statement of Net Position.

In addition to liabilities, the basic financial statements will sometimes report a separate section for *deferred inflows of resources*. This separate financial statement element represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District has two types of items which qualify for reporting in this category. Unavailable revenue, is reported in the governmental funds balance sheet for property taxes. At June 30, 2020, there were deferred revenues related to property taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. At June 30, 2020, there also were deferred inflows representing PERS pension related deferrals, and OPEB-RHIA related deferrals in the Statement of Net Position.



**LEBANON COMMUNITY SCHOOL DISTRICT NO. 9**  
**LEBANON, OREGON**

**For the Year Ended June 30, 2020**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Retirement Plans**

Substantially all of the District's employees are participants in the State of Oregon Public Employees Retirement System (PERS). For the purpose of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about fiduciary net position of PERS and additions to/deductions from PERS's fiduciary net position have been determined on the same basis as they are reported by PERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**Net Position**

Net position comprises the various net earnings from operations, non-operating revenues, expenses and contributions of capital. Net position is classified in the following three categories:

Net investment in capital assets – consists of all capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Restricted – consists of external constraints placed on asset use by creditors, grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.

Unrestricted – consists of all other amounts that are not included in the other categories previously mentioned.

**Fund Balance**

GASB Statement No. 54, Fund Balance Reporting and Governmental Fund-type Definitions is followed. The objective of this statement is to enhance the usefulness of the fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying the existing governmental fund-type definitions. This statement establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed on the use of the resources reported in governmental funds. Under this standard, the fund balance classifications are non-spendable, restricted, committed, assigned, and unassigned.

- Non-spendable represents amounts that are not in a spendable form. This non-spendable fund balance represents inventories and prepaid items.
- Restricted represents amounts that are legally restricted by outside parties for a specific purpose (such as debt covenants, grant requirements, donor requirements, or other governments) or are restricted by law (constitutionally or by enabling legislation).
- Committed represents funds formally set aside by the governing body for a particular purpose. The use of committed funds would be approved by resolution.
- Assigned represents amounts that are constrained by the expressed intent to use resources for specific purposes that do not meet the criteria to be classified as restricted or committed. Intent can be stipulated by the governing body or by an official to whom that authority has been given by the governing body. The authority to classify portions of ending fund balance as Assigned is granted to the Superintendent and Business Manager.
- Unassigned is the residual classification of the General Fund. Only the General Fund may report a positive unassigned fund balance. Other governmental funds would report any negative residual fund balance as unassigned.

There are no committed or assigned fund balances at June 30, 2020.

**LEBANON COMMUNITY SCHOOL DISTRICT NO. 9**  
**LEBANON, OREGON**

**For the Year Ended June 30, 2020**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

The governing body has approved the following order of spending regarding fund balance categories: restricted resources are spent first when both restricted and unrestricted (committed, assigned, or unassigned) resources are available for expenditures. When unrestricted resources are spent, the order of spending is committed (if applicable), assigned (if applicable), and unassigned.

**Use of Estimates**

The preparation of basic financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the basic financial statements and reported amounts of revenues, expenditures and expenses during the reporting period. Actual results could differ from those estimates.

**2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

**Budgetary Information**

A budget is prepared and legally adopted for all funds on the modified accrual basis of accounting in the main program categories required by the Oregon Local Budget Law.

Expenditure budgets are appropriated at the following levels for each fund:

**LEVEL OF CONTROL**

- Instruction
- Support Services
- Community Services
- Facilities Acquisition and Construction
- Interfund Transactions
- Debt Service
- Operating Contingency

Expenditures cannot legally exceed the above appropriation levels except in the case of grants which could not be estimated at the time of budget adoption. Appropriations lapse at the fiscal year end. Management may amend line items in the budget without Board approval as long as appropriation levels (the legal level of control) are not changed. Supplemental appropriations may occur if the Board approves them due to a need which exists which was not determined at the time the budget was adopted.

Budget amounts shown in the budgetary basic financial statements reflect the final budget. Expenditures of the various funds were within authorized appropriations, except for the Special Revenue Fund – Facilities Acquisition which was overexpended by \$23,295, the Debt Service Fund – Support Services which was overexpended by \$29,350, and the Enterprise Fund – Instruction which was overexpended by \$51,716.

**LEBANON COMMUNITY SCHOOL DISTRICT NO. 9**  
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**For the Year Ended June 30, 2020**

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**3. BUDGETARY BASIS OF ACCOUNTING**

The budgetary (modified accrual) basis of accounting differs from generally accepted accounting principles. The budgetary statements provided as part of supplementary information elsewhere in this report are presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The budgetary basis of accounting is substantially the same as generally accepted accounting principles in the United States of America with the exceptions that capital outlay expenditures are expensed when purchased, depreciation is not calculated, property taxes are recorded as revenue when received instead of when levied, OPEB, pension, and compensated absences expenses are recorded when paid instead of when incurred, inventories of supplies are expensed when purchased, pension costs are not recorded until paid, and principal payments and proceeds on long term debt are recorded as revenues when received and expenditures when paid.

**4. CASH AND INVESTMENTS**

Cash management policies are governed by state statutes. Statutes authorize investing in banker's acceptances, time certificates of deposit, commercial paper, repurchase agreements, obligations of the United States and its agencies and instrumentalities, and the Oregon State Treasurer's Local Government Investment Pool.

A cash pool is maintained that is available for use by all funds. Each fund type's portion of this pool is reported on the combined balance sheet as Cash and Investments or amounts Due to Other Funds.

In addition, cash is separately held by some of the funds.

Cash and Investments (recorded at cost) consisted of:

Deposits with Financial Institutions:	
Demand Deposits	\$ (1,080,711)
Investments	<u>8,251,877</u>
Total Cash and investments	<u>\$ 7,171,166</u>

**DEPOSITS**

Deposits with financial institutions include bank demand deposits. Oregon Revised Statutes require deposits to be adequately covered by federal depository insurance or deposited at an approved depository as identified by the treasury. The total bank balance per the bank statements as of June 30, 2020 was \$1,114,207 of which \$250,000 is covered by federal depository insurance and the remainder was collateralized by the Oregon Public Funds Collateralization Program (PFCP).

**Credit Risk – Deposits**

In the case of deposits, there is the risk that in the event of a bank failure, the deposits may not be returned. There is no deposit policy for custodial credit risk. All deposits were either FDIC insured or collateralized.

**LEBANON COMMUNITY SCHOOL DISTRICT NO. 9**  
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**For the Year Ended June 30, 2020**

**4. CASH AND INVESTMENTS (CONTINUED)**

**INVESTMENTS**

Investments in the Local Government Investment Pool (LGIP) are included in the Oregon Short-Term Fund, which is an external investment pool that is not a 2a-7-like external investment pool, and is not registered with the U.S. Securities and Exchange Commission as an investment company. Fair value of the LGIP is calculated at the same value as the number of pool shares owned. The unit of account is each share held, and the value of the position would be the fair value of the pool's share price multiplied by the number of shares held. Investments in the Short-Term Fund are governed by ORS 294.135, Oregon Investment Council, and portfolio guidelines issued by the Oregon Short-Term Fund Board, which establish diversification percentages and specify the types and maturities of investments. The portfolio guidelines permit securities lending transactions as well as investments in repurchase agreements and reverse repurchase agreements. The fund's compliance with all portfolio guidelines can be found in their annual report when issued. The LGIP seeks to exchange shares at \$1.00 per share; an investment in the LGIP is neither insured nor guaranteed by the FDIC or any other government agency. Although the LGIP seeks to maintain the value of share investments at \$1.00 per share, it is possible to lose money by investing in the pool. We intend to measure these investments at book value since it approximates fair value. The pool is comprised of a variety of investments. These investments are characterized as a level 2 fair value measurement in the Oregon Short Term Fund's audited financial report. Amounts in the State Treasurer's Local Government Investment Pool are not required to be collateralized. The audited financial reports of the Oregon Short Term Fund can be found here:

[http://www.oregon.gov/treasury/Divisions/Investment/Pages/Oregon-Short-Term-Fund-\(OSTF\).aspx](http://www.oregon.gov/treasury/Divisions/Investment/Pages/Oregon-Short-Term-Fund-(OSTF).aspx)

If the link has expired please contact the Oregon Short Term Fund directly.

At year-end, investment balances were as follows:

<u>Investment Type</u>	<u>Investment Maturities (In Months)</u>			
	<u>Fair Value</u>	<u>Less Than 3</u>	<u>3-18</u>	<u>18-59</u>
State Treasurer's Local Government Investment	\$ 8,251,877	\$ 8,251,877	\$ -	\$ -
Total	<u>\$ 8,251,877</u>	<u>\$ 8,251,877</u>	<u>\$ -</u>	<u>\$ -</u>

**Interest Rate Risk- Investments**

Oregon Revised Statutes require investments to not exceed a maturity of 18 months, except when the local government has adopted a written investment policy that was submitted to and reviewed by the OSTFB. There are no investments that have a maturity date greater than three months.

**Credit Risk – Investments**

Oregon Revised Statutes do not limit investments as to credit rating for securities purchased from US Government Agencies or USGSE. The State Investment Pool is not rated.

**Concentration of Credit Risk**

At June 30, 2020, 100% of total investments were in the State Treasurer's Investment Pool. State statutes do not limit the percentage of investments in this instrument. Oregon Revised Statutes require no more than 25 percent of the moneys of the local government to be invested in bankers' acceptances of any qualified financial institution. At June 30, 2020, investments were in compliance with all percentage restrictions.

**LEBANON COMMUNITY SCHOOL DISTRICT NO. 9**  
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**For the Year Ended June 30, 2020**

**5. RECEIVABLES**

Special revenue fund grants receivable are comprised of claims for reimbursement of costs under various federal and state grant programs. Property taxes are levied and become a lien on all taxable property as of July 1. Taxes unpaid and outstanding on May 16 are considered delinquent. No allowance for uncollectible accounts has been recorded because all receivables are considered by management to be collectible at year end.

**6. CAPITAL ASSETS**

Capital asset activity for the year ended June 30, 2020 was as follows:

	Balance July 1, 2019	Adjustments	Additions	Deletions	Balance June 30, 2020
Governmental Activities:					
Capital Assets Not being Depreciated:					
Land	\$ 1,411,570	\$ -	\$ -	\$ -	\$ 1,411,570
Construction in Progress	79,577	(79,577)	-	-	-
Total Capital Assets Not Being Depreciated	<u>1,491,147</u>	<u>(79,577)</u>	<u>-</u>	<u>-</u>	<u>1,411,570</u>
Capital Assets Being Depreciated:					
Buildings and Improvements	93,788,628	79,577	72,184	-	93,940,389
Machinery and Equipment	7,562,888	-	503,832	(99,790)	7,966,930
Total Capital Assets Being Depreciated	<u>101,351,516</u>	<u>79,577</u>	<u>576,016</u>	<u>(99,790)</u>	<u>101,907,319</u>
Accumulated Depreciation:					
Buildings and Improvements	61,912,556	-	1,345,123	-	63,257,679
Machinery and Equipment	5,092,038	-	347,962	(99,790)	5,340,210
Total Accumulated Depreciation	<u>67,004,594</u>	<u>-</u>	<u>1,693,085</u>	<u>(99,790)</u>	<u>68,597,889</u>
Governmental Activities					
Capital Assets, Net	<u>\$ 35,838,069</u>				<u>\$ 34,721,000</u>

Depreciation expense was charged to functions/programs of the primary government for governmental activities as follows:

Governmental Activities	
Instruction	\$ 1,033,321
Support Services	592,004
Community Services	<u>67,760</u>
Total Depreciation Expense	
Governmental Activities	<u>\$ 1,693,085</u>

**LEBANON COMMUNITY SCHOOL DISTRICT NO. 9**  
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**For the Year Ended June 30, 2020**

**7. LONG-TERM OBLIGATIONS**

**Bonds Payable**

General Obligation Bonds were issued to provide funds for the acquisition and construction of major capital facilities. The bond obligations pledge the full faith and credit of the District. The bonds were issued in 2005, 2011, and 2019 with interest plus principal payments due each year.

The 2019 General Obligation Bonds were issued to refund all of the 2011 GO Bond remaining payments due after June 2021. The proceeds of this new debt were transferred to an escrow account which will pay the remaining balance of the 2011 GO Bond. As such the 2011 bond is considered defeased, and this escrow account as well as all of the bond payments due after June 30, 2021 have been removed from the financial statements. The deferred refunding amount (the difference between the acquisition price of the new debt and the net carrying amount of the old debt) is reported as a deferred outflow of resources in accordance with GASB Statement No. 65.

The District entered into a financing agreement dated July 26, 2011 under the Qualified School Construction Bonds (QSCB) Program. The District received financing of \$1,895,000 for upgrades and improvements to school facilities which are pledged as collateral. The agreement requires annual cash deposits to a sinking fund in the amount of \$126,333 to fund the only payment of \$1,895,000 in 2026.

If the District is unable to make a payment on the QSCB Bond, the entire principal balance and any accrued unpaid interest may become immediately due. There are no other significant default clauses noted in any of the long-term obligation agreements that would impact the financial statements or require disclosure under GASB 88.

Bond obligations currently outstanding, premium amortization, and deferred refunding amortization are as follows:

	<u>Interest Rates</u>	<u>Original Issue</u>	<u>Outstanding July 1, 2019</u>	<u>Issued</u>	<u>Matured and Redeemed</u>	<u>Outstanding June 30, 2020</u>	<u>Due within one year</u>
<b>Bonds Payable:</b>							
GO Bond 2005	3-5%	\$ 19,515,000	\$ 15,925,000	-	(805,000)	\$ 15,120,000	\$ 1,055,000
GO Bond 2011	2-5%	27,630,000	20,280,000	-	(19,040,000)	1,240,000	1,240,000
GO Bond 2019	4-5%	18,790,000	-	18,790,000	(210,000)	18,580,000	250,000
QSCB 2011	5.13%	1,895,000	1,895,000	-	-	1,895,000	-
Total			<u>38,100,000</u>	<u>18,790,000</u>	<u>(20,055,000)</u>	<u>36,835,000</u>	<u>2,545,000</u>
<b>Premium Related to Bond</b>							
Premium 2005		2,013,612	1,604,983	-	(145,908)	1,459,075	-
Premium 2011		1,259,036	885,354	-	(804,867)	80,487	-
Total Long-Term Liabilities			<u>\$ 40,590,337</u>	<u>\$ 18,790,000</u>	<u>\$ (21,005,775)</u>	<u>\$ 38,374,562</u>	<u>\$ 2,545,000</u>
<b>Deferred Outflow on Debt Refunding</b>							
Defeased GO Bond 2011			\$ -	1,997,970	(181,634)	\$ 1,816,336	\$ -
Total Deferred Outflow			<u>\$ -</u>	<u>\$ 1,997,970</u>	<u>\$ (181,634)</u>	<u>\$ 1,816,336</u>	<u>\$ -</u>

**LEBANON COMMUNITY SCHOOL DISTRICT NO. 9**  
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**For the Year Ended June 30, 2020**

**7. LONG-TERM OBLIGATIONS – (CONTINUED)**

Future maturities of long term obligations are as follows:

Fiscal Year Ending Ending June 30	GO Bonds		Fiscal Year Ending Ending June 30	QSCB	
	Principal	Interest		Principal	Interest
2021	2,545,000	1,297,719	2021	-	97,214
2022	2,750,000	1,192,198	2022	-	97,213
2023	2,940,000	1,100,003	2023	-	97,214
2024	3,150,000	1,000,330	2024	-	97,213
2025	3,320,000	933,519	2025	-	97,214
2026-30	<u>20,235,000</u>	<u>2,744,862</u>	2026	<u>1,895,000</u>	<u>97,213</u>
	<u>34,940,000</u>	<u>8,268,631</u>		<u>1,895,000</u>	<u>583,281</u>

**8. DEFINED BENEFIT PENSION PLAN**

**Plan Description** – The Oregon Public Employees Retirement System (PERS) consists of a single cost-sharing multiple-employer defined benefit plan. All benefits of the system are established by the legislature pursuant to Oregon Revised Statute (ORS) Chapters 238 and 238A. Oregon PERS produces an independently audited Comprehensive Annual Financial Report which can be found at:

<https://www.oregon.gov/pers/Documents/Financials/CAFR/2019-CAFR.pdf>

If the link is expired please contact Oregon PERS for this information.

- a. **PERS Pension (Chapter 238).** The ORS Chapter 238 Defined Benefit Plan is closed to new members hired on or after August 29, 2003.
  - i. **Pension Benefits.** The PERS retirement allowance is payable monthly for life. It may be selected from 13 retirement benefit options. These options include survivorship benefits and lump-sum refunds. The basic benefit is based on years of service and final average salary. A percentage (2.0 percent for police and fire employees, and 1.67 percent for general service employees) is multiplied by the number of years of service and the final average salary. Benefits may also be calculated under either a formula plus annuity (for members who were contributing before August 21, 1981) or a money match computation if a greater benefits results. A member is considered vested and will be eligible at minimum retirement age for a service retirement allowance if he or she has had a contribution in each of five calendar years or has reached at least 50 years of age before ceasing employment with a participating employer (age 45 for police and fire members). General service employees may retire after reaching age 55. Police and fire members are eligible after reaching age 50. Tier 1 general service employee benefits are reduced if retirement occurs prior to age 58 with fewer than 30 years of service. Police and fire member benefits are reduced if retirement occurs prior to age 55 with fewer than 25 years of service. Tier 2 members are eligible for full benefits at age 60. The ORS Chapter 238 Defined Benefit Pension Plan is closed to new members hired on or after August 29, 2003.
  - ii. **Death Benefits.** Upon the death of a non-retired member, the beneficiary receives a lump-sum refund of the member’s account balance (accumulated contributions and interest). In addition, the beneficiary will receive a lump-sum payment from employer funds equal to the account balance, provided one or more of the following contributions are met:
    - member was employed by PERS employer at the time of death,
    - member died within 120 days after termination of PERS covered employment,
    - member died as a result of injury sustained while employed in a PERS-covered job, or
    - member was on an official leave of absence from a PERS-covered job at the time of death.

**LEBANON COMMUNITY SCHOOL DISTRICT NO. 9**  
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**For the Year Ended June 30, 2020**

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**8. DEFINED BENEFIT PENSION PLAN – (CONTINUED)**

- iii. **Disability Benefits.** A member with 10 or more years of creditable service who becomes disabled from other than duty-connected causes may receive a non-duty disability benefit. A disability resulting from a job-incurred injury or illness qualifies a member (including PERS judge members) for disability benefits regardless of the length of PERS-covered service. Upon qualifying for either a non-duty or duty disability, service time is computed to age 58 (55 for police and fire members) when determining the monthly benefit.
  - iv. **Benefit Changes After Retirement.** Members may choose to continue participation in their variable account after retiring and may experience annual benefit fluctuations due to changes in the fair value of the underlying global equity investments of that account. Under ORS 238.360 monthly benefits are adjusted annually through cost-of-living changes (COLA). The COLA is capped at 2.0 percent.
- b. **OPSRP Pension Program (OPSRP DB).** The ORS Chapter 238A Defined Benefit Pension Program provides benefits to members hired on or after August 29, 2003.
- i. **Pension Benefits.** This portion of OPSRP provides a life pension funded by employer contributions. Benefits are calculated with the following formula for members who attain normal retirement age:  
*Police and fire:* 1.8 percent is multiplied by the number of years of service and the final average salary. Normal retirement age for police and fire members is age 60 or age 53 with 25 years of retirement credit. To be classified as a police and fire member, the individual must have been employed continuously as a police and fire member for at least five years immediately preceding retirement.  
*General service:* 1.5 percent is multiplied by the number of years of service and the final average salary. Normal retirement age for general service members is age 65, or age 58 with 30 years of retirement credit.  
A member of the pension program becomes vested on the earliest of the following dates: the date the member completes 600 hours of service in each of five calendar years, the date the member reaches normal retirement age, and, if the pension program is terminated, the date on which termination becomes effective.
  - ii. **Death Benefits.** Upon the death of a non-retired member, the spouse or other person who is constitutionally required to be treated in the same manner as the spouse, receives for life 50 percent of the pension that would otherwise have been paid to the deceased member. The surviving spouse may elect to delay payment of the death benefit, but payment must commence no later than December 31 of the calendar year in which the member would have reached 70½ years.
  - iii. **Disability Benefits.** A member who has accrued 10 or more years of retirement credits before the member becomes disabled or a member who becomes disabled due to job-related injury shall receive a disability benefit of 45 percent of the member's salary determined as of the last full month of employment before the disability occurred.

**Contributions** – PERS funding policy provides for monthly employer contributions at actuarially determined rates. These contributions, expressed as a percentage of covered payroll, are intended to accumulate sufficient assets to pay benefits when due. The funding policy applies to the PERS Defined Benefit Plan and the Other Postemployment Benefit Plans. Employer contribution rates during the period were based on the December 31, 2017 actuarial valuation, which became effective July 1, 2019. The state of Oregon and certain schools, community colleges, and political subdivision have made unfunded actuarial liability payments and their rates have been reduced. Employer contributions for the year ended June 30, 2020 were \$7,558,671, excluding amounts to fund employer specific liabilities. In addition, approximately \$4,058 in employee contributions were paid or picked up by the District in 2019-2020.



**LEBANON COMMUNITY SCHOOL DISTRICT NO. 9**  
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**For the Year Ended June 30, 2020**

**8. DEFINED BENEFIT PENSION PLAN - (CONTINUED)**

**Pension Asset or Liability** – At June 30, 2020, the District reported a net pension liability of \$45,003,219 for its proportionate share of the net pension liability. The pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation dated December 31, 2017. The District’s proportion of the net pension liability was based on a projection of the District’s long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. As of the measurement dates of June 30, 2019 and 2018, the District’s proportion was .26 percent and .27 percent, respectively. Pension expense for the year ended June 30, 2020 was \$3,421,844.

The rates in effect for the year ended June 30, 2020 were:

- (1) Tier 1/Tier 2 – 32.03%
- (2) OPSRP general services – 25.59%

	Deferred Outflow of Resources	Deferred Inflow of Resources
Difference between expected and actual experience	\$ 2,481,795	\$ -
Changes in assumptions	6,105,200	-
Net difference between projected and actual earnings on pension plan investments	-	(1,275,796)
Net changes in proportionate share	559,255	(2,585,727)
Differences between District contributions and proportionate share of contributions	1,528,536	(23,830)
Subtotal - Amortized Deferrals (below)	10,674,786	(3,885,353)
District contributions subsequent to measurement date	7,558,671	-
Deferred outflow (inflow) of resources	\$ 18,233,457	\$ (3,885,353)

The amount of contributions subsequent to the measurement date will be included as a reduction of the net pension liability in the fiscal year ended June 30, 2021.

Subtotal amounts related to pension as deferred outflows of resources, \$10,674,786, and deferred inflows of resources, (\$3,885,353), net to \$6,789,433 and will be recognized in pension expense as follows:

Year ending June 30,	Amount
2021	\$ 3,862,046
2022	439,422
2023	1,469,528
2024	972,691
2025	45,746
Thereafter	-
Total	\$ 6,789,433

All assumptions, methods and plan provisions used in these calculations are described in the Oregon PERS system-wide GASB 68 reporting summary dated March 4, 2020. Oregon PERS produces an independently audited CAFR which can be found at:

<https://www.oregon.gov/pers/Documents/Financials/CAFR/2019-CAFR.pdf>

**LEBANON COMMUNITY SCHOOL DISTRICT NO. 9**  
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**For the Year Ended June 30, 2020**

**8. DEFINED BENEFIT PENSION PLAN - (CONTINUED)**

**Actuarial Valuations** – The employer contribution rates effective July 1, 2019 through June 30, 2021, were set using the entry age normal actuarial cost method. For the Tier One/Tier Two component of the PERS Defined Benefit Plan, this method produced an employer contribution rate consisting of (1) an amount for normal cost (estimated amount necessary to finance benefits earned by employees during the current service year), (2) an amount for the amortization unfunded actuarial accrued liabilities, which are being amortized over a fixed period with new unfunded actuarial liabilities being amortized over 20 years.

For the OPSRP Pension Program component of the PERS Defined Benefit Plan, this method produced an employer rate consisting of (a) an amount for normal cost (the estimated amount necessary to finance benefits earned by the employees during the current service year), (b) an actuarially determined amount for funding a disability benefit component, and (c) an amount for the amortization of unfunded actuarial accrued liabilities, which are being amortized over a fixed period with new unfunded actuarial accrued liabilities being amortized over 16 years.

**Actuarial Methods and Assumptions:**

Valuation date	December 31, 2017 rolled forward to June 30, 2019
Experience Study Report	2016, Published July 26, 2017
Actuarial cost method	Entry Age Normal
Amortization method	Amortized as a level percentage of payroll as layered amortization bases over a closed period; Tier One/Tier Two UAL is amortized over 20 years and OPSRP pension UAL is amortized over 16 years
Asset valuation method	Market value of assets
Inflation rate	2.50 percent
Investment rate of return	7.20 percent
Discount rate	7.20 percent
Projected salary increase	3.50 percent
Cost of Living Adjustment	Blend of 2% COLA and graded COLA (1.25%/0.15%) in accordance with <i>Moro</i> decision, blend based on service
Mortality	Healthy retirees and beneficiaries: RP-2014 Health annuitant, sex-distinct, generational with Unisex, Social Security Data Scale, with collar adjustments and set-backs as described in the valuation. Active members: RP-2014 Employees, sex-distinct, generational with Unisex, Social Security Data Scale, with collar adjustments and set-backs as described in the valuation. Disabled retirees: RP-2014 Disabled retirees, sex-distinct, generational with Unisex, Social Security Data Scale.

Actuarial valuations of an ongoing plan involve estimates of value of reported amounts and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. Experience studies are performed as of December 31 of even numbered years. The method and assumptions shown are based on the 2016 Experience Study which is reviewed for the four-year period ending December 31, 2016.

**LEBANON COMMUNITY SCHOOL DISTRICT NO. 9**  
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**For the Year Ended June 30, 2020**

**8. DEFINED BENEFIT PENSION PLAN - (CONTINUED)**

**Assumed Asset Allocation:**

<b>Asset Class/Strategy</b>	<b>Low Range</b>	<b>High Range</b>	<b>OIC Target</b>
Debt Securities	15.0%	25.0%	20.0%
Public Equity	32.5%	42.5%	37.5%
Real Estate	9.5%	15.5%	12.5%
Private Equity	14.0%	21.0%	17.5%
Alternative Investments	0.0%	12.5%	12.5%
Opportunity Portfolio	0.0%	3.0%	0.0%
Total			100.0%

*(Source: June 30, 2019 PERS CAFR; p. 100)*

**Long-Term Expected Rate of Return** - To develop an analytical basis for the selection of the long-term expected rate of return assumption, in July 2017 the PERS Board reviewed long-term assumptions developed by both Milliman's capital market assumptions team and the Oregon Investment Council's (OIC) investment advisors. The table below shows Milliman's assumptions for each of the asset classes in which the plan was invested at that time based on the OIC long-term target asset allocation. The OIC's description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions, and includes adjustment for the inflation assumption. These assumptions are not based on historical returns, but instead are based on a forward-looking capital market economic model.

<b>Asset Class</b>	<b>Target Allocation</b>	<b>Compound Annual (Geometric) Return</b>
Core Fixed Income	8.00%	3.49%
Short-Term Bonds	8.00%	3.38%
Bank/Leveraged Loans	3.00%	5.09%
High Yield Bonds	1.00%	6.45%
Large/Mid Cap US Equities	15.75%	6.30%
Small Cap US Equities	1.31%	6.69%
Micro Cap US Equities	1.31%	6.80%
Developed Foreign Equities	13.13%	6.71%
Emerging Market Equities	4.13%	7.45%
Non-US Small Cap Equities	1.88%	7.01%
Private Equity	17.50%	7.82%
Real Estate (Property)	10.00%	5.51%
Real Estate (REITS)	2.50%	6.37%
Hedge Fund of Funds - Diversified	2.50%	4.09%
Hedge Fund - Event-driven	0.63%	5.86%
Timber	1.88%	5.62%
Farmland	1.88%	6.15%
Infrastructure	3.75%	6.60%
Commodities	1.88%	3.84%
<i>Assumed Inflation - Mean</i>		<i>2.50%</i>

*(Source: June 30, 2019 PERS CAFR; p. 74)*

**LEBANON COMMUNITY SCHOOL DISTRICT NO. 9**  
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**For the Year Ended June 30, 2020**

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**8. DEFINED BENEFIT PENSION PLAN - (CONTINUED)**

**Discount Rate** – The discount rate used to measure the total pension liability as of the measurement dates of June 30, 2019 and 2018 was 7.20 percent for both years, for the Defined Benefit Pension Plan. The projection of cash flows used to determine the discount rate assumed that contributions from the plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments for the Defined Benefit Pension Plan was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the District’s proportionate share of the net pension liability to changes in the discount rate – The following presents the District’s proportionate share of the net pension liability calculated using the discount rate of 7.20 percent, as well as what the District’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.20 percent) or 1-percentage-point higher (8.20 percent) than the current rate.

**Changes Subsequent to the Measurement Date**

	1% Decrease (6.20%)	Discount Rate (7.20%)	1% Increase (8.20%)
District's proportionate share of the net pension liability (asset)	\$ 72,068,662	\$ 45,003,219	\$ 22,353,172

As described above, GASB 67 and GASB 68 require the Total Pension Liability to be determined based on the benefit terms in effect at the Measurement Date. Any changes to benefit terms that occurs after that date are reflected in amounts reported for the subsequent Measurement Date. However, Paragraph 80f of GASB 68 requires employers to briefly describe any changes between the Measurement Date and the employer’s reporting date that are expected to have a significant effect on the employer’s share of the collective Net Pension Liability, along with an estimate of the resulting change, if available.

There are no changes subsequent to the June 30, 2019 Measurement Date that meet this requirement and thus would require a brief description under the GASB standard.

**OPSRP Individual Account Program (OPSRP IAP)**

*Plan Description:*

Employees of the District are provided with pensions through OPERS. All the benefits of OPERS are established by the Oregon legislature pursuant to Oregon Revised Statute (ORS) Chapters 238 and 238A. Chapter 238 Defined Benefit Pension Plan is closed to new members hired on or after August 29, 2003. Chapter 238A created the Oregon Public Service Retirement Plan (OPSRP), which consists of the Defined Benefit Pension Program and the Individual Account Program (IAP). Membership includes public employees hired on or after August 29, 2003. PERS members retain their existing defined benefit plan accounts, but member contributions are deposited into the member’s IAP account. OPSRP is part of OPERS, and is administered by the OPERS Board.

**LEBANON COMMUNITY SCHOOL DISTRICT NO. 9**  
**LEBANON, OREGON**

**For the Year Ended June 30, 2020**

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**8. DEFINED BENEFIT PENSION PLAN - (CONTINUED)**

*Pension Benefits:*

Participants in OPERS defined benefit pension plans also participate in their defined contribution plan. An IAP member becomes vested on the date the employee account is established or on the date the rollover account was established. If the employer makes optional employer contributions for a member, the member becomes vested on the earliest of the following dates: the date the member completes 600 hours of service in each of five calendar years, the date the member reaches normal retirement age, the date the IAP is terminated, the date the active member becomes disabled, or the date the active member dies. Upon retirement, a member of the OPSRP IAP may receive the amounts in his or her employee account, rollover account, and vested employer account as a lump-sum payment or in equal installments over a 5-, 10-, 15-, 20-year period or an anticipated life span option. Each distribution option has a \$200 minimum distribution limit.

*Death Benefits:*

Upon the death of a non-retired member, the beneficiary receives in a lump sum the member's account balance, rollover account balance, and vested employer optional contribution account balance. If a retired member dies before the installment payments are completed, the beneficiary may receive the remaining installment payments or choose a lump-sum payment.

*Contributions:*

Employees of the District pay six (6) percent of their covered payroll. The District did not make any optional contributions to member IAP accounts for the year ended June 30, 2020.

Additional disclosures related to Oregon PERS not applicable to specific employers are available online, or by contacting PERS at the following address: PO Box 23700 Tigard, OR 97281-3700.

<http://www.oregon.gov/pers/EMP/Pages/GASB.aspx>

**9. OTHER POST-EMPLOYMENT BENEFIT PLAN – (RHIA)**

**Plan Description:**

As a member of Oregon Public Employees Retirement System (OPERS) the District contributes to the Retirement Health Insurance Account (RHIA) for each of its eligible employees. RHIA is a cost-sharing multiple-employer defined benefit other postemployment benefit plan administered by OPERS. RHIA pays a monthly contribution toward the cost of Medicare companion health insurance premiums of eligible retirees. Oregon Revised Statute (ORS) 238.420 established this trust fund. Authority to establish and amend the benefit provisions of RHIA reside with the Oregon Legislature. The plan is closed to new entrants after January 1, 2004. OPERS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to Oregon Public Employees Retirement System, PO Box 23700, Tigard, OR 97281-3700.

**Funding Policy:**

Because RHIA was created by enabling legislation (ORS 238.420), contribution requirements of the plan members and the participating employers were established and may be amended only by the Oregon Legislature. ORS require that an amount equal to \$60 dollars or the total monthly cost of Medicare companion health insurance premiums coverage, whichever is less, shall be paid from the Retirement Health Insurance Account established by the employer, and any monthly cost in excess of \$60 dollars shall be paid by the eligible retired member in the manner provided in ORS 238.410.

**LEBANON COMMUNITY SCHOOL DISTRICT NO. 9**  
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**For the Year Ended June 30, 2020**

**9. OTHER POST-EMPLOYMENT BENEFIT PLAN – (RHIA) (CONTINUED)**

To be eligible to receive this monthly payment toward the premium cost the member must: (1) have eight years or more of qualifying service in OPERS at the time of retirement or receive a disability allowance as if the member had eight years or more of creditable service in OPERS, (2) receive both Medicare Parts A and B coverage, and (3) enroll in an OPERS-sponsored health plan. A surviving spouse or dependent of a deceased OPERS retiree who was eligible to receive the subsidy is eligible to receive the subsidy if he or she (1) is receiving a retirement benefit or allowance from OPERS or (2) was insured at the time the member died and the member retired before May 1, 1991.

Participating employers are contractually required to contribute to RHIA at a rate assessed each year by OPERS, and the District currently contributes 0.06% of annual covered OPERF payroll and 0.00% of OPSRP payroll under a contractual requirement in effect until June 30, 2021. Consistent with GASB Statement 75, the OPERS Board of Trustees sets the employer contribution rates as a measure of the proportionate relationship of the employer to all employers consistent with the manner in which contributions to the OPEB plan are determined. The basis for the employer's portion is determined by comparing the employer's actual, legally required contributions made during the fiscal year to the plan with the total actual contributions made in the fiscal year of all employers.

At June 30, 2020, the District reported a net OPEB liability/(asset) of (\$381,150) for its proportionate share of the net OPEB liability/(asset). The OPEB liability/(asset) was measured as of June 30, 2019, and the total OPEB liability/(asset) used to calculate the net OPEB liability/(asset) was determined by an actuarial valuation as of December 31, 2017. Consistent with GASB Statement No. 75, paragraph 59(a), the District's proportion of the net OPEB liability/(asset) is determined by comparing the employer's actual, legally required contributions made during the fiscal year to the Plan with the total actual contributions made in the fiscal year of all employers. As of the measurement dates of June 30, 2019 and 2018, the District's proportion was .20 percent and .19 percent, respectively. OPEB expense for the year ended June 30, 2020 was \$91,481.

**Components of OPEB Expense/(Income):**

Employer's proportionate share of collective system OPEB Expense/(Income)	\$ (49,570)
Net amortization of employer-specific deferred amounts from:	
- Changes in proportionate share (per paragraph 64 of GASB 75)	(2,019)
- Differences between employer contributions and employer's proportionate share of system contributions (per paragraph 65 of GASB 75)	-
Employer's Total OPEB Expense/(Income)	<u>\$ (51,589)</u>

**Components of Deferred Outflows/Inflows of Resources:**

	Deferred Outflow of Resources	Deferred Inflow of Resources
Difference between expected and actual experience	\$ -	\$ (50,262)
Changes in assumptions	-	(395)
Net difference between projected and actual earnings on pension plan investments	-	(23,526)
Net changes in proportionate share	132	(4,580)
Differences between District contributions and proportionate share of contributions	-	-
Subtotal - Amortized Deferrals (below)	132	(78,763)
District contributions subsequent to measuring date	-	-
Deferred outflow (inflow) of resources	\$ 132	\$ (78,763)

**LEBANON COMMUNITY SCHOOL DISTRICT NO. 9**  
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**For the Year Ended June 30, 2020**

**9. OTHER POST-EMPLOYMENT BENEFIT PLAN – (RHIA) (CONTINUED)**

The amount of contributions subsequent to the measurement date will be included as a reduction of the net OPEB liability/(asset) in the fiscal year ended June 30, 2021.

Subtotal amounts related to OPEB as deferred outflows of resources, \$132, and deferred inflows of resources, (\$78,763), net to (\$78,631) and will be recognized in OPEB expense as follows:

<u>Year ending June 30,</u>	<u>Amount</u>
2021	\$ (40,208)
2022	(36,279)
2023	(4,568)
2024	2,424
2025	-
Thereafter	-
Total	<u>\$ (78,631)</u>

All assumptions, methods and plan provisions used in these calculations are described in the Oregon PERS Retirement Health Insurance Account Cost-Sharing Multiple-Employer Other Postemployment Benefit (OPEB) Plan Schedules of Employer Allocations and OPEB Amounts by Employer report, as of and for the Year Ended June 30, 2019. That independently audited report was dated March 4, 2020 and can be found at:

<https://www.oregon.gov/pers/EMP/Documents/GASB/2019/PERS%20GASB%2075%20RHIA%20Report%20FY%2006.30.19.pdf>

Valuation Date	December 31, 2017 rolled forward to June 30, 2019
Experience Study Report	2016, Published July 26, 2017
Actuarial cost method	Entry Age Normal
Inflation rate	2.50 percent
Investment rate of return	7.20 percent
Discount rate	7.20 percent
Projected salary increase	3.50 percent
Retiree healthcare participation	Healthy retirees: 35%; Disabled retirees: 20%
Mortality	Healthy retirees and beneficiaries: RP-2014 Healthy annuitant, sex-distinct, generational with Unisex, Social Security Data Scale, with collar adjustments and set-backs as described in the valuation. Active members: RP-2014 Employees, sex-distinct, generational with Unisex, Social Security Data Scale, with collar adjustments and set-backs as described in the valuation. Disabled retirees: RP-2014 Disabled retirees, sex-distinct, generational with Unisex, Social Security Data Scale.

**LEBANON COMMUNITY SCHOOL DISTRICT NO. 9**  
**LEBANON, OREGON**

**For the Year Ended June 30, 2020**

**9. OTHER POST-EMPLOYMENT BENEFIT PLAN – (RHIA) (CONTINUED)**

**Actuarial Methods and Assumptions:**

Actuarial valuations of an ongoing plan involve estimates of value of reported amounts and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. Experience studies are performed as of December 31 of even numbered years. The method and assumptions shown are based on the 2016 Experience Study which is reviewed for the four-year period ending December 31, 2016.

**Discount Rate:**

The discount rate used to measure the total OPEB liability as of the measurement dates of June 30, 2019 and 2018 was 7.20 and 7.20 percent, respectively. The projection of cash flows used to determine the discount rate assumed that contributions from contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the RHIA plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments for the RHIA plan was applied to all periods of projected benefit payments to determine the total OPEB asset.

**Long-Term Expected Rate of Return:**

To develop an analytical basis for the selection of the long-term expected rate of return assumption, in July 2017 the PERS Board reviewed long-term assumptions developed by both Milliman's capital market assumptions team and the Oregon Investment Council's (OIC) investment advisors. The table below shows Milliman's assumptions for each of the asset classes in which the plan was invested at that time based on the OIC long-term target asset allocation. The OIC's description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions, and includes adjustment for the inflation assumption. These assumptions are not based on historical returns, but instead are based on a forward-looking capital market economic model.

<b>Asset Class</b>	<b>Target Allocation</b>	<b>Compound Annual (Geometric) Return</b>
Core Fixed Income	8.00%	3.49%
Short-Term Bonds	8.00%	3.38%
Bank/Leveraged Loans	3.00%	5.09%
High Yield Bonds	1.00%	6.45%
Large/Mid Cap US Equities	15.75%	6.30%
Small Cap US Equities	1.31%	6.69%
Micro Cap US Equities	1.31%	6.80%
Developed Foreign Equities	13.13%	6.71%
Emerging Market Equities	4.13%	7.45%
Non-US Small Cap Equities	1.88%	7.01%
Private Equity	17.50%	7.82%
Real Estate (Property)	10.00%	5.51%
Real Estate (REITS)	2.50%	6.37%
Hedge Fund of Funds - Diversified	2.50%	4.09%
Hedge Fund - Event-driven	0.63%	5.86%
Timber	1.88%	5.62%
Farmland	1.88%	6.15%
Infrastructure	3.75%	6.60%
Commodities	1.88%	3.84%
<i>Assumed Inflation - Mean</i>		2.50%

(Source: June 30, 2019 PERS CAFR; p. 74)



**LEBANON COMMUNITY SCHOOL DISTRICT NO. 9**  
**LEBANON, OREGON**

**For the Year Ended June 30, 2020**

**9. OTHER POST-EMPLOYMENT BENEFIT PLAN – (RHIA) (CONTINUED)**

Sensitivity of the District’s proportionate share of the net OPEB liability/(asset) to changes in the discount rate – The following presents the District’s proportionate share of the net OPEB liability/(asset) calculated using the discount rate of 7.20 percent, as well as what the District’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.20 percent) or 1-percentage-point higher (8.20 percent) than the current rate.

	1% Decrease (6.20%)	Discount Rate (7.20%)	1% Increase (8.20%)
District's proportionate share of the net OPEB liability (asset)	\$ (295,490)	\$ (381,150)	\$ (454,139)

**Changes Subsequent to the Measurement Date**

There are no changes subsequent to the June 30, 2019 Measurement Date that meet this requirement and thus would require a brief description under the GASB standard.

**10. OTHER POST-EMPLOYMENT BENEFITS (OPEB)**

**Early Retirement (Stipends)**

In April 2003, an early retirement plan with two arrangements was established for certified employees who were age 55 and had 10 years of District service or 10 years of District service and 30 years of service in Oregon PERS.

To qualify for the first arrangement, an employee had to be eligible to retire on or before June 30, 2003. Beginning with the month of retirement, the District shall pay to the retired employee a monthly stipend equal to 1% of the annual salary on his/her last permanent teacher contract if the employee is under age 55 at retirement, 1.5% if the employee is age 55 to 58 at retirement, or 2% if the employee is aged 58 to 62 at retirement. The stipend is paid to age 62 or the date on which the retired employee qualifies for federal social security benefits. Employees who have accumulated 30 years of PERS membership or choose to retire prior to age 55 will have their 1% stipend increased to 1.5% at age 55 where it will remain until age 62.

The second arrangement requires that the employee be hired on or before December 31, 1982 or eligible to retire on or before June 30, 2005.

Beginning with the month of retirement, the District pays a monthly stipend to the retiree equal to 0.5% of their 2002-2003 second half salary placement amount if the employee is age 55 to 58 at retirement or 1.25% if the employee is age 58 to 62 at retirement. Such stipend shall be paid to age 62 or when eligible for social security benefits, whichever is earlier.

Administrator or confidential employees need to have been hired prior to July 2000, be age 55 with 10 years of District service or 10 years of District service with 30 years under PERS. The stipend benefits for this group are the same as the first arrangement, above, for certified employees.

Upon death of the retiree, the stipend will be paid to the retiree’s estate for an additional six months. A one-time payment of \$500 will be paid to those certified, administrator, confidential, or classified employees who have served the District 20 years, are retiring at age 62 or older, and meet the requirements of the hire date as outlined in the group’s supplemental retirement benefits agreements. This benefit is paid to the beneficiaries of those employees currently employed, regardless of length of service.

**LEBANON COMMUNITY SCHOOL DISTRICT NO. 9**  
**LEBANON, OREGON**

**For the Year Ended June 30, 2020**

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**10. OTHER POST-EMPLOYMENT BENEFITS (OPEB) – (CONTINUED)**

There are 11 employees currently in the plan, which is closed to all other employees. The liability is calculated using the maximum amounts the District would owe to all eligible employees on June 30, 2020 to be paid out by June 30, 2025. At June 30, 2020, there was a total potential OPEB liability for the Early Retirement Stipend of \$517,275 reported in the Statement of Net Position. The District elected to not obtain an actuarial valuation due to this calculation of maximum liability owed. The District pays these benefits on a pay-as-you-go basis, thus there are no deferred outflows or deferred inflows.

**Post-Retirement Health Benefits (Health Insurance)**

The District's post-retirement health benefits plan entry qualifications are described in The Defined Benefit Pension Plan. There is also a third arrangement for licensed staff that were age 55 by June 30, 2007 with 20 years of continuous District Service. Arrangement one, including confidential and administrator staff pays full medical, dental, vision and life insurance up to the District cap until age 65. Arrangements two and three pay a monthly \$500 contribution towards the District insurance program until age 65.

The district maintains a schedule of explicit insurance liabilities but does not calculate the implicit insurance subsidy. The District elected to not obtain an actuarial valuation for the implicit insurance subsidy due to the costs associated with obtaining one. The District pays these benefits on a pay-as-you-go basis, thus there are no deferred outflows or deferred inflows.

**11. PROPERTY TAX LIMITATION**

The voters of the State of Oregon approved ballot measure 5, a constitutional limit on property taxes for schools and non-school government operations, in November, 1990. School operations include community colleges, local school districts, and education service districts.

The limitation provides that property taxes for school operations are limited to \$5.00 for each \$1,000 of property market value. This limitation does not apply to taxes levied for principal and interest on general obligation bonded debt. The result of this initiative has been that school districts have become more dependent upon state funding and less dependent upon property tax revenues as their major source of operating revenue. The State voters passed ballot measure 50 in May, 1997 to further reduce property taxes by replacing the previous constitutional limits on tax bases with a rate and value limit.

Measure 50 reduced the amount of operating property tax revenues available for the 1998-99 fiscal year and thereafter. This reduction is accomplished by rolling property values back to their 1995-96 values less 10% and limiting future tax value growth of each property to no more than 3% per year, subject to certain exceptions. Taxes levied to support bonded debt are exempted from the property tax limitations. The measure also sets restrictive voter approval requirements for most tax and many fee increases and new bond issues, and requires the State of Oregon to minimize the impact of the tax cuts to the school districts. The ultimate impact to the District as a result of the measure has been greater reliance on state funding and less reliance on local funding.

**12. RISK MANAGEMENT**

There is exposure to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters for which commercial insurance is purchased. There were no significant reductions in insurance coverage from coverage in prior years in any of the major categories of risk. Also, the amounts of any settlements have not exceeded insurance coverage for any of the past three fiscal years.

**LEBANON COMMUNITY SCHOOL DISTRICT NO. 9**  
**LEBANON, OREGON**

**For the Year Ended June 30, 2020**

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**13. COMMITMENTS AND CONTINGENCIES**

Substantially all amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time, although the management expects such amounts, if any, to be immaterial.

A substantial portion of operating funding is received from the State of Oregon. State funding is determined through state wide revenue projections that are paid to individual school districts based on pupil counts and other factors in the state school fund revenue formula. Since these projections and pupil counts fluctuate they can cause either increases or decreases in revenue. Due to these future uncertainties at the state level, the future effect on the operations cannot be determined.

The COVID-19 outbreak in the United States has caused substantial disruption to business and local governments due to mandated and voluntary suspension of operations and stay at home orders. There is considerable uncertainty around the duration of the outbreak and the long-term impact to the overall economy. However, the District expects the reduction of economic activity to negatively impact funds received.

**14. INTERFUND TRANSFERS & INTERFUND RECEIVABLE/PAYABLE**

Amounts were comprised of the following:

	Transfers Out	Transfers In	Interfund Receivable	Interfund Payable
General Fund	\$ 1,185,000	\$ 850,000	\$ -	\$ 51,707
Special Revenue Fund	850,000	1,110,000	51,707	-
Debt Service Fund	-	50,000	-	-
Internal Service Fund	-	25,000	-	-
	<u>\$ 2,035,000</u>	<u>\$ 2,035,000</u>	<u>\$ 51,707</u>	<u>\$ 51,707</u>

The internal transfers and receivables/payables are budgeted and recorded to show legal and operational commitments between funds such as cost sharing.

**15. TAX ABATEMENTS**

As of June 30, 2020, the District had tax abatements through the state allowed program: Enterprise Zone that impacted their levied taxes and require disclosure under GASB 77.

**Enterprise Zone (ORS 285C.175):**

The Oregon Enterprise Zone program is a State of Oregon economic development program established, that allows for property tax exemptions for up to five years. In exchange for receiving property tax exemption, participating firms are required to meet the program requirements set by state statute and the local sponsor.

The Enterprise Zone program allows industrial firms that will be making a substantial new capital investment a waiver of 100% of the amount of real property taxes attributable to the new investment for a 5-year period after completion. Land or existing machinery or equipment is not tax exempt; therefore, there is no loss of current property tax levies to local taxing jurisdiction.

For the fiscal year ended June 30, 2020, the District had abated property taxes totaling \$152,605 under this program.

**LEBANON COMMUNITY SCHOOL DISTRICT NO. 9**  
**LEBANON, OREGON**

**For the Year Ended June 30, 2020**

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**16. RELATED PARTY TRANSACTIONS**

The District uses the Gillott Home Team as the real estate agent to purchase and sell one property annually for the Lebanon High School construction class. The Gillott Home Team real estate agency is owned by a District employee and his wife, who is the Principal Broker. The Principal Broker's husband is a part-time teacher for the District. Fees from selling LHS construction class projects are donated back to the program. Proceeds are reported in the District's donations and contributions.

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**REQUIRED SUPPLEMENTARY INFORMATION**

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**LEBANON SCHOOL DISTRICT**  
**LEBANON, OREGON**

REQUIRED SUPPLEMENTARY INFORMATION

At June 30, 2020

PERS

SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

Year Ended June 30,	(a) Employer's proportion of the net pension liability (NPL)	(b) Employer's proportionate share of the net pension liability (NPL)	(c) Employer's covered payroll	(b/c) NPL as a percentage of covered payroll	Plan fiduciary net position as a percentage of the total pension liability
2020	0.26 %	\$ 45,003,219	\$ 21,486,185	209.5 %	80.2 %
2019	0.27	41,328,208	19,595,401	210.9	82.1
2018	0.26	35,578,592	19,237,669	184.9	83.1
2017	0.28	41,360,281	17,568,345	235.4	80.5
2016	0.01	19,039,703	17,185,736	110.8	91.9
2015	0.36	(8,236,146)	N/A	N/A	103.6

The amounts presented for each fiscal year were actuarially determined at 12/31 and rolled forward to the measurement date of 6/30 for each year presented.

These schedules are presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend has been compiled, information is presented only for the years for which the required supplementary information is available.

SCHEDULE OF CONTRIBUTIONS

	Statutorily required contribution	Contributions in relation to the statutorily required contribution	Contribution deficiency (excess)	Employer's covered payroll	Contributions as a percent of covered payroll
2020	\$ 7,558,671	\$ 7,558,671	\$ -	\$ 21,834,903	34.6 %
2019	6,452,727	6,452,727	-	21,486,185	30.0
2018	5,979,757	5,979,757	-	19,595,401	30.5
2017	4,963,690	4,963,690	-	19,237,669	25.8
2016	4,637,109	4,637,109	-	17,568,345	26.4
2015	3,344,918	3,344,918	-	17,185,736	19.5

The amounts presented for each fiscal year were actuarially determined at 12/31 and rolled forward to the measurement date of 6/30 for each year presented.

These schedules are presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend has been compiled, information is presented only for the years for which the required supplementary information is available.



**LEBANON SCHOOL DISTRICT**  
**LEBANON, OREGON**

REQUIRED SUPPLEMENTARY INFORMATION

At June 30, 2020

OPEB - RHIA

SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET OPEB ASSET/(LIABILITY) FOR RHIA

Year Ended June 30,	(a) Employer's proportion of the net OPEB asset/ (liability) (NOA/(L))	(b) Employer's proportionate share of the net OPEB asset/ (liability) (NOA/(L))	(c) Employer's covered payroll	(b/c) NOA/(L) as a percentage of covered payroll	Plan fiduciary net position as a percentage of the total OPEB asset (liability)
2020	0.19724 %	\$ 381,150	\$ 21,486,185	1.77 %	144.4 %
2019	0.18905	211,038	19,595,401	1.08	124.0
2018	0.01879	78,459	19,237,669	0.41	108.9

The amounts presented for each fiscal year were actuarially determined at 12/31 and rolled forward to the measurement date of 6/30 for each year presented.

These schedules are presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend has been compiled, information is presented only for the years for which the required supplementary information is available.

Amounts for covered payroll (c) use the prior year's data to match the measurement date used by the OPEB plan for each year.

SCHEDULE OF CONTRIBUTIONS FOR RHIA

	Statutorily required contribution	Contributions in relation to the statutorily required contribution	Contribution deficiency (excess)	Employer's covered payroll	Contributions as a percent of covered payroll
2020	\$ N/A	\$ N/A	\$ N/A	\$ 21,834,903	N/A %
2019	N/A	N/A	N/A	21,486,185	N/A
2018	N/A	N/A	N/A	19,595,401	N/A

The amounts presented for each fiscal year were actuarially determined at 12/31 and rolled forward to the measurement date of 6/30 for each year presented.

These schedules are presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend has been compiled, information is presented only for the years for which the required supplementary information is available.

All statutorily required contributions were made and are included within PERS contributions (see p. 34).

**LEBANON COMMUNITY SCHOOL DISTRICT NO. 9**  
**LEBANON, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCE - ACTUAL AND BUDGET - BUDGETARY BASIS**  
**For the Year Ended June 30, 2020**

	<b><u>GENERAL FUND</u></b>			VARIANCE TO FINAL BUDGET POSITIVE (NEGATIVE)
	<b><u>BUDGET</u></b>		<b><u>ACTUAL</u></b>	
	<b><u>ORIGINAL</u></b>	<b><u>FINAL</u></b>		
<b>REVENUES:</b>				
Local Sources	\$ 11,423,240	\$ 11,423,240	\$ 11,139,562	\$ (283,678)
Intermediate Sources	150,000	150,000	421,626	271,626
State Sources	31,829,700	31,829,700	31,161,848	(667,852)
Federal Sources	195,000	195,000	235,786	40,786
Total Revenue	<u>43,597,940</u>	<u>43,597,940</u>	<u>42,958,822</u>	<u>(639,118)</u>
<b>EXPENDITURES:</b>				
Instruction	26,910,980	26,910,980 (1)	25,520,241	1,390,739
Support Services	16,881,460	16,881,460 (1)	15,182,726	1,698,734
Operating Contingencies	100,000	100,000 (1)	-	100,000
Total Expenditures	<u>43,892,440</u>	<u>43,892,440</u>	<u>40,702,967</u>	<u>3,189,473</u>
Revenues Over (Under) Expenditures	<u>(294,500)</u>	<u>(294,500)</u>	<u>2,255,855</u>	<u>2,550,355</u>
<b>OTHER FINANCING SOURCES, (USES)</b>				
Transfers In	850,000	850,000	850,000	-
Transfers Out	(1,185,500)	(1,185,500) (1)	(1,185,000)	500
Sale of Capital Assets	-	-	15,750	(15,750)
Total Other Financing Sources, (Uses)	<u>(335,500)</u>	<u>(335,500)</u>	<u>(319,250)</u>	<u>(16,250)</u>
Net Change in Fund Balance	(630,000)	(630,000)	1,936,605	2,534,105
<b>Beginning Fund Balance</b>	<u>2,280,000</u>	<u>2,280,000</u>	<u>2,126,602</u>	<u>(153,398)</u>
<b>Ending Fund Balance</b>	<u>\$ 1,650,000</u>	<u>\$ 1,650,000</u>	<u>\$ 4,063,207</u>	<u>\$ 2,413,207</u>

(1) Appropriation Level

**LEBANON COMMUNITY SCHOOL DISTRICT NO. 9**  
**LEBANON, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCE - ACTUAL AND BUDGET - BUDGETARY BASIS**  
**For the Year Ended June 30, 2020**

**SPECIAL REVENUE FUND**

	<u>BUDGET</u>		<u>ACTUAL</u>	VARIANCE TO FINAL BUDGET POSITIVE (NEGATIVE)
	<u>ORIGINAL</u>	<u>FINAL</u>		
<b>REVENUES:</b>				
Local Sources	\$ 1,306,650	\$ 1,306,650	\$ 1,168,098	\$ (138,552)
Intermediate Sources	15,000	15,000	39,153	24,153
State Sources	1,069,800	1,069,800	1,357,417	287,617
Federal Sources	4,867,756	4,867,756	3,971,562	(896,194)
<b>Total Revenue</b>	<u>7,259,206</u>	<u>7,259,206</u>	<u>6,536,230</u>	<u>(722,976)</u>
<b>EXPENDITURES:</b>				
Instruction	4,375,150	4,375,150 (1)	3,867,111	508,039
Support Services	2,133,809	2,133,809 (1)	1,624,354	509,455
Community Services	2,440,137	2,440,137 (1)	1,927,082	513,055
Facilities Acquisition	70,000	70,000 (1)	93,295	(23,295)
<b>Total Expenditures</b>	<u>9,019,096</u>	<u>9,019,096</u>	<u>7,511,842</u>	<u>1,507,254</u>
Revenues Over (Under) Expenditures	<u>(1,759,890)</u>	<u>(1,759,890)</u>	<u>(975,612)</u>	<u>784,278</u>
<b>OTHER FINANCING SOURCES, (USES)</b>				
Transfers In	1,110,000	1,110,000	1,110,000 (2)	-
Transfers Out	(1,000,000)	(1,000,000) (1)	(850,000)	150,000
<b>Total Other Financing Sources, (Uses)</b>	<u>110,000</u>	<u>110,000</u>	<u>260,000</u>	<u>150,000</u>
Net Change in Fund Balance	(1,649,890)	(1,649,890)	(715,612)	934,278
<b>Beginning Fund Balance</b>	<u>3,702,409</u>	<u>3,702,409</u>	<u>4,485,560</u>	<u>783,151</u>
<b>Ending Fund Balance</b>	<u>\$ 2,052,519</u>	<u>\$ 2,052,519</u>	<u>\$ 3,769,948</u>	<u>\$ 1,717,429</u>

(1) Appropriation Level

(2) Included in this amount is the state revenue match of \$15,977 for National School Lunch Program support.

**SUPPLEMENTARY INFORMATION**

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**LEBANON COMMUNITY SCHOOL DISTRICT NO. 9**  
**LEBANON, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCE - ACTUAL AND BUDGET - BUDGETARY BASIS**  
**For the Year Ended June 30, 2020**

**DEBT SERVICE - GO BONDS FUND**

	BUDGET		ACTUAL	VARIANCE TO FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
<b>REVENUES:</b>				
Local Sources	\$ 4,022,000	\$ 4,022,000	\$ 3,828,242	\$ (193,758)
<b>Total Revenues</b>	4,022,000	4,022,000	3,828,242	(193,758)
<b>EXPENDITURES:</b>				
Support Services	-	-	(1) 29,350	(29,350)
Debt Service	4,472,645	4,472,645	(1) 4,065,594	407,051
<b>Total Expenditures</b>	4,472,645	4,472,645	4,094,944	407,051
<b>OTHER FINANCING SOURCES, (USES)</b>				
Debt Proceeds	-	-	43,114	43,114
Transfers In	50,000	50,000	50,000	-
<b>Total Other Financing Sources, (Uses)</b>	50,000	50,000	93,114	43,114
Net Change in Fund Balance	(400,645)	(400,645)	(173,588)	227,057
<b>Beginning Fund Balance</b>	400,645	400,645	429,783	29,138
<b>Ending Fund Balance</b>	\$ -	\$ -	\$ 256,195	\$ 256,195

(1) Appropriation Level

**LEBANON COMMUNITY SCHOOL DISTRICT NO. 9**  
**LEBANON, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCE - ACTUAL AND BUDGET - BUDGETARY BASIS**  
**For the Year Ended June 30, 2020**

**ENTERPRISE FUND**

	BUDGET		ACTUAL	VARIANCE TO FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
<b>Total Revenues</b>	\$ -	\$ -	\$ -	\$ -
<b>EXPENDITURES:</b>				
Instruction	232,000	232,000 (1)	283,716	(51,716)
<b>OTHER FINANCING SOURCES, (USES)</b>				
Sale of Capital Assets	285,000	285,000	244,526	(40,474)
Net Change in Fund Balance	53,000	53,000	(39,190)	(92,190)
<b>Beginning Fund Balance</b>	75,000	75,000	(16,921)	(91,921)
<b>Ending Fund Balance</b>	<u>\$ 128,000</u>	<u>\$ 128,000</u>	\$ (56,111)	<u>\$ (184,111)</u>

(1) Appropriation Level

Reconciliation to the Statement of Net Position

Work in Process	283,716
Net Position	\$ 227,605

**LEBANON COMMUNITY SCHOOL DISTRICT NO. 9  
LEBANON, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE - ACTUAL AND BUDGET - BUDGETARY BASIS  
For the Year Ended June 30, 2020**

**INSURANCE FUND**

	<u>BUDGET</u>		<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET POSITIVE (NEGATIVE)</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
<b>Total Revenues</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>EXPENDITURES:</b>				
Support Services	<u>175,000</u>	<u>175,000 (1)</u>	<u>63,933</u>	<u>111,067</u>
<b>Total Expenditures</b>	<u>175,000</u>	<u>175,000</u>	<u>63,933</u>	<u>111,067</u>
<b>OTHER FINANCING SOURCES, (USES)</b>				
Transfers In	<u>25,000</u>	<u>25,000</u>	<u>25,000</u>	<u>-</u>
Net Change in Fund Balance	(150,000)	(150,000)	(38,933)	111,067
<b>Beginning Fund Balance</b>	<u>150,000</u>	<u>150,000</u>	<u>117,617</u>	<u>(32,383)</u>
<b>Ending Fund Balance</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 78,684</u>	<u>\$ 78,684</u>

(1) Appropriation Level



**LEBANON COMMUNITY SCHOOL DISTRICT NO. 9**  
**LEBANON, OREGON**

**SCHEDULE OF PROPERTY TAX TRANSACTIONS AND BALANCES OF TAXES UNCOLLECTED**  
**For the Year Ended June 30, 2020**

TAX YEAR	ORIGINAL LEVY OR BALANCE UNCOLLECTED 7/1/19	DEDUCT DISCOUNTS	ADJUSTMENTS TO ROLLS	INTEREST	CASH COLLECTIONS BY COUNTY TREASURER	BALANCE UNCOLLECTED OR UNSEGREGATED AT 6/30/20
<b>GENERAL FUND:</b>						
Current:						
2018-19	\$ 10,839,816	\$ 288,467	\$ (42,290)	\$ 4,736	\$ 10,245,943	\$ 267,852
Prior Years:						
2017-18	264,514	653	(13,381)	10,780	139,987	121,273
2016-17	123,351	1	(12,557)	10,431	54,703	66,521
2015-16	65,282	(6)	(14,701)	11,565	38,161	23,991
2014-15	25,149	(6)	(8,263)	6,357	17,450	5,799
Prior Years:	22,268	-	(7,487)	2,308	3,004	14,085
Total Prior	500,564	642	(56,389)	41,441	253,305	231,669
Total General Fund	\$ 11,340,380	\$ 289,109	\$ (98,679)	\$ 46,177	\$ 10,499,248	\$ 499,521

**RECONCILIATION TO REVENUE:**

	GENERAL FUND
Cash Collections by County Treasurer Above	\$ 10,499,248
Accrued at 6/30/19	(43,126)
Accrued at 6/30/20	53,057
Changes from Prior year Unavailable Revenue, see page 6	(12,205)
Total Revenue	\$ 10,496,974

**LEBANON COMMUNITY SCHOOL DISTRICT NO. 9**  
**LEBANON, OREGON**

**SCHEDULE OF PROPERTY TAX TRANSACTIONS AND BALANCES OF TAXES UNCOLLECTED**  
**For the Year Ended June 30, 2020**

TAX YEAR	ORIGINAL LEVY OR BALANCE UNCOLLECTED 7/1/19	DEDUCT DISCOUNTS	ADJUSTMENTS TO ROLLS	INTEREST	CASH COLLECTIONS BY COUNTY TREASURER	BALANCE UNCOLLECTED OR UNSEGREGATED AT 6/30/20
<u>DEBT SERVICE FUND:</u>						
Current:						
2018-19	\$ 3,929,012	\$ 104,558	\$ (15,329)	\$ 1,717	\$ 3,713,756	\$ 97,086
Prior Years:						
2017-18	99,078	245	(5,012)	4,038	52,434	45,425
2016-17	48,662	1	(4,954)	4,115	21,580	26,242
2015-16	27,053	(3)	(6,093)	4,793	15,814	9,942
2014-15	10,155	(2)	(3,335)	2,567	7,047	2,342
Prior Years:	9,664	-	(3,249)	1,002	1,304	6,113
Total Prior	194,612	241	(22,643)	16,515	98,179	90,064
Total Debt Svc Fund	\$ 4,123,624	\$ 104,799	\$ (37,972)	\$ 18,232	\$ 3,811,935	\$ 187,150

RECONCILIATION TO REVENUE:	DEBT SERVICE FUND
Cash Collections by County Treasurer Above	\$ 3,811,935
Timing Differences of Cash Collections	(11,376)
Accrued at 6/30/19	(16,670)
Accrued at 6/30/20	19,862
Changes from Prior year Unavailable Revenue, see page 6	(10,519)
Total Revenue	\$ 3,793,232

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**OTHER INFORMATION**

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**LEBANON COMMUNITY SCHOOL DISTRICT NO. 9**  
**LEBANON, OREGON**

**OTHER INFORMATION**  
**As Required by The Oregon Department of Education**  
**For the Year Ended June 30, 2020**

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A. Energy bills for heating, fuel, water and sewage - all funds:		<u>Objects 325, 326 and 327</u>
	Function 2540	\$ 752,075
	Function 2550	-

B. Replacement of equipment - General Fund: All General Fund expenditures in Object 542:		<u>Object 542</u>
		\$ 35,121

These functions are Excluded:

1113, 1122 & 1132	Co-curricular activities	Construction
1140	Pre-kindergarten	Pupil transportation
1300	Continuing education	Food service
1400	Summer school	Community services

**2019-20 DISTRICT AUDIT REVENUE SUMMARY**  
**Lebanon Community School District #9**

	Fund 100	Fund 200	Fund 300	Fund 500	Fund 600
<b>Revenue from Local Sources</b>					
1110 Ad Valorem Taxes Levied by District	\$10,509,103		\$3,803,751		
1120 Local Option Ad Valorem Taxes Levied by District					
1130 Construction Excise Tax					
1190 Penalties and Interest on Taxes	\$76				
1200 Revenue from Local Govt Units Other Than Districts					
1311 Regular Day School Tuition - From Individuals					
1312 Regular Day School Tuition - Other Dist Within State					
1313 Regular Day School Tuition - Other Districts Outside					
1320 Adult/Continuing Education Tuition					
1330 Summer School Tuition					
1411 Transportation Fees - From Individuals	\$4,538				
1412 Transportation Fees - Other Dist Within State					
1414 Transportation Fees - Foster Students					
1420 Summer School Transportation Fees					
1500 Earnings on Investments	\$320,317	\$14,013	\$6,148		
1600 Food Service		\$73,367			
1700 Extracurricular Activities		\$622,598			
1800 Community Services Activities					
1910 Rentals	\$1,582				
1920 Contributions and Donations From Private Sources		\$162,032			
1930 Rental or Lease Payments From Private Contractors					
1940 Services Provided Other Local Education Agencies	\$120,211				
1950 Textbook Sales and Rentals					
1960 Recovery of Prior Years' Expenditure					
1970 Services Provided Other Funds					
1980 Fees Charged to Grants	\$14,915				
1990 Miscellaneous	\$168,820	\$296,089	\$18,342		
<b>Total Revenue from Local Sources</b>	<b>\$11,139,562</b>	<b>\$1,168,098</b>	<b>\$3,828,242</b>	<b>\$0</b>	<b>\$0</b>
<b>Revenue from Intermediate Sources</b>					
2101 County School Funds	\$209,250				
2102 General ESD Revenue					
2103 Excess ESD Local Revenue					
2105 Natural Gas, Oil, and Mineral Receipts					
2110 Intermediate "I" Tax					
2199 Other Intermediate Sources					
2200 Restricted Revenue	\$212,376	\$39,153			
2800 Revenue in Lieu of Taxes					
2900 Revenue for/on Behalf of the District					
<b>Total Revenue from Intermediate Sources</b>	<b>\$421,626</b>	<b>\$39,153</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Revenue from State Sources</b>					
3101 State School Fund - General Support	\$30,942,140				
3102 State School Fund - School Lunch Match					
3103 Common School Fund	\$196,120				
3104 State Managed County Timber	\$23,587				
3106 State School Fund - Accrual					
3199 Other Unrestricted Grants-in-Aid					
3204 Driver Education					
3222 State School Fund (SSF) Transportation Equipment					
3299 Other Restricted Grants-in-Aid		\$1,357,417			
3800 Revenue in Lieu of Taxes					
3900 Revenue for/on Behalf of the District					
<b>Total Revenue from State Sources</b>	<b>\$31,161,848</b>	<b>\$1,357,417</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Revenue from Federal Sources</b>					
4100 Unrestricted Revenue Direct From the Federal Government					
4200 Unrestricted Revenue From the Federal Government Through the State					
4300 Restricted Revenue From the Federal Government	\$77,982				
4500 Restricted Revenue From the Federal Government Through the State		\$3,683,594			
4700 Grants-In-Aid From the Federal Government Through Other Intermediate Agencies		\$118,811			
4801 Federal Forest Fees	\$157,804				
4802 Impact Aid to School Districts for Operation (PL 874)					
4899 Other Revenue in Lieu of Taxes		\$169,157			
4900 Revenue for/on Behalf of the District					
<b>Total Revenue from Federal Sources</b>	<b>\$235,786</b>	<b>\$3,971,562</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Revenue from Other Sources</b>					
5100 Long Term Debt Financing Sources			\$43,114		
5200 Interfund Transfers	\$850,000	\$1,110,000	\$50,000		\$25,000
5300 Sale of or Compensation for Loss of Fixed Assets	\$15,750			\$244,526	
5400 Resources - Beginning Fund Balance	\$2,126,602	\$4,485,560	\$429,783	-\$16,921	\$117,617
<b>Total Revenue from Other Sources</b>	<b>\$2,992,352</b>	<b>\$5,595,560</b>	<b>\$522,897</b>	<b>\$227,605</b>	<b>\$142,617</b>
<b>Grand Totals</b>	<b>\$45,951,174</b>	<b>\$12,131,790</b>	<b>\$4,351,139</b>	<b>\$227,605</b>	<b>\$142,617</b>

**2019-20 DISTRICT AUDIT EXPENDITURE SUMMARY**  
**Lebanon Community School District #9**

**Fund: 100 General Fund + 102 Facilities**

	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
<b>Instruction Expenditures</b>								
1111 Elementary, K-5 or K-6	\$8,170,226	\$4,856,217	\$3,086,829	\$173,237	\$53,943			
1113 Elementary Extracurricular	\$2,855	\$2,000	\$855					
1121 Middle/Junior High Programs	\$3,637,685	\$2,114,051	\$1,427,548	\$75,343	\$20,742			
1122 Middle/Junior High School Extracurricular	\$33,219	\$23,607	\$9,612					
1131 High School Programs	\$4,619,734	\$2,747,338	\$1,698,125	\$114,270	\$56,929		\$3,072	
1132 High School Extracurricular	\$127,880	\$97,986	\$29,894					
1140 Pre-Kindergarten Programs	\$0							
1210 Programs for the Talented and Gifted	\$39,578	\$26,630	\$10,830	\$296	\$1,822			
1220 Restrictive Programs for Students with Disabilities	\$2,290,752	\$1,230,422	\$1,010,667	\$45,043	\$4,619			
1230 Tutoring	\$0							
1250 Less Restrictive Programs for Students with Disabilities	\$2,899,130	\$1,547,021	\$1,261,545	\$80,784	\$9,317		\$463	
1260 Treatment and Habilitation	\$0							
1271 Remediation	\$0							
1272 Title I	\$43			\$43				
1280 Alternative Education	\$3,298,274	\$453,792	\$302,603	\$2,514,099	\$26,225		\$1,555	
1291 English Second Language Programs	\$361,642	\$214,437	\$141,010	\$6,160	\$36			
1292 Teen Parent Program	\$0							
1293 Migrant Education	\$0							
1294 Youth Corrections Education	\$0							
1299 Other Programs	\$0							
1300 Adult/Continuing Education Programs	\$20,351			\$20,351				
1400 Summer School Programs	\$18,872	\$13,327	\$5,545					
<b>Total Instruction Expenditures</b>	<b>\$25,520,241</b>	<b>\$13,326,830</b>	<b>\$8,985,062</b>	<b>\$3,029,626</b>	<b>\$173,634</b>	<b>\$0</b>	<b>\$5,090</b>	<b>\$0</b>
<b>Support Services Expenditures</b>	<b>168820.36</b>	<b>296088.63</b>	<b>18342.24</b>	<b>Object 300</b>	<b>Object 400</b>	<b>Object 500</b>	<b>Object 600</b>	<b>Object 700</b>
2110 Attendance and Social Work Services	\$325,242	\$131,372	\$95,839	\$95,250	\$2,480		\$300	
2120 Guidance Services	\$865,771	\$526,604	\$332,891	\$6,059	\$217			
2130 Health Services	\$275,147	\$154,334	\$117,933	\$1,953	\$648		\$279	
2140 Psychological Services	\$0							
2150 Speech Pathology and Audiology Services	\$383,145	\$198,674	\$119,203	\$61,512	\$2,621		\$1,136	
2160 Other Student Treatment Services	\$0							
2190 Service Direction, Student Support Services	\$367,860	\$207,872	\$146,063	\$7,952	\$5,974			
2210 Improvement of Instruction Services	\$295,205	\$153,509	\$91,918	\$7,631	\$15,565		\$26,582	
2220 Educational Media Services	\$418,953	\$189,081	\$193,179	\$11,075	\$22,360		\$3,258	
2230 Assessment & Testing	\$21,057			\$13,097	\$7,804		\$156	
2240 Instructional Staff Development	\$195,998	\$5,431	\$62,210	\$82,432	\$45,784		\$140	
2310 Board of Education Services	\$65,417			\$62,450	\$467		\$2,500	
2320 Executive Administration Services	\$661,949	\$368,008	\$270,491	\$3,231	\$9,803		\$10,417	
2410 Office of the Principal Services	\$3,857,861	\$2,277,397	\$1,430,649	\$100,579	\$42,071		\$7,164	
2490 Other Support Services - School Administration	\$0							
2510 Direction of Business Support Services	\$0							
2520 Fiscal Services	\$718,642	\$415,872	\$236,663	\$38,345	\$22,324		\$5,438	
2540 Operation and Maintenance of Plant Services	\$3,794,430	\$1,135,662	\$803,018	\$1,249,692	\$310,982	\$55,827	\$239,248	
2550 Student Transportation Services	\$1,626,310	\$741,763	\$592,135	\$59,757	\$172,359	\$18,799	\$41,497	
2570 Internal Services	\$21,324	\$14,189	\$5,717		\$1,419			
2610 Direction of Central Support Services	\$0							
2620 Planning, Evaluation, Grant Writing and Statistical Svcs	\$0							
2630 Information Services	\$77,108	\$43,297	\$28,744	\$4,738	\$329			
2640 Staff Services	\$396,901	\$205,905	\$136,463	\$27,750	\$24,332		\$2,451	
2660 Technology Services	\$644,949	\$210,464	\$109,906	\$93,858	\$220,421	\$10,000	\$300	
2670 Records Management Services	\$0							
2680 Interpretation & Translation Services	\$4,250	\$3,071	\$1,179					
2690 Other Support Services - Central	\$0							
2700 Supplemental Retirement Program	\$165,208	\$79,649	\$85,559					
<b>Total Support Services Expenditures</b>	<b>\$15,182,726</b>	<b>\$7,062,154</b>	<b>\$4,859,759</b>	<b>\$1,927,361</b>	<b>\$907,961</b>	<b>\$84,626</b>	<b>\$340,865</b>	<b>\$0</b>
<b>Facilities Acquisition and Construction Expenditures</b>	<b>Totals</b>	<b>Object 100</b>	<b>Object 200</b>	<b>Object 300</b>	<b>Object 400</b>	<b>Object 500</b>	<b>Object 600</b>	<b>Object 700</b>
4110 Service Area Direction	\$0							
4120 Site Acquisition and Development Services	\$0							
4150 Building Acquisition, Construction, and Improvement	\$0							
4180 Other Capital Items	\$0							
4190 Other Facilities Construction Services	\$0							
<b>Total Facilities Acquisition and Construction Expenditures</b>	<b>\$0</b>	<b>\$4,485,560</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Other Uses Expenditures</b>	<b>Totals</b>	<b>Object 100</b>	<b>Object 200</b>	<b>Object 300</b>	<b>Object 400</b>	<b>Object 500</b>	<b>Object 600</b>	<b>Object 700</b>
5100 Debt Service	\$0							
5200 Transfers of Funds	\$1,185,000							\$1,185,000
5300 Apportionment of Funds by ESD	\$0							
5400 PERS UAL Bond Lump Sum	\$0							
<b>Total Other Uses Expenditures</b>	<b>\$1,185,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,185,000</b>
<b>Grand Total</b>	<b>\$41,887,967</b>	<b>\$24,874,543</b>	<b>\$13,844,822</b>	<b>\$4,956,986</b>	<b>\$1,081,595</b>	<b>\$84,626</b>	<b>\$345,954</b>	<b>\$1,185,000</b>
All Funds	\$54,692,501	\$27,604,119	\$15,684,256	\$5,807,363	\$2,661,063	\$863,640	\$4,522,620	\$2,035,000



**2019-20 DISTRICT AUDIT EXPENDITURE SUMMARY**  
**Lebanon Community School District #9**

**Fund: 200 Special Revenue Funds**

Instruction Expenditures	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
1111 Elementary, K-5 or K-6	\$160,825	\$7,929	\$2,988	\$37,850	\$112,058			
1113 Elementary Extracurricular	\$96,397			\$8,041	\$52,938	\$35,328	\$89	
1121 Middle/Junior High Programs	\$114,606			\$29,848	\$84,758			
1122 Middle/Junior High School Extracurricular	\$98,591	\$43,054	\$9,437	\$13,673	\$30,335		\$2,092	
1131 High School Programs	\$511,324	\$192,272	\$121,292	\$27,337	\$168,862		\$1,560	
1132 High School Extracurricular	\$820,369	\$220,316	\$110,398	\$176,354	\$251,208	\$2,000	\$60,093	
1140 Pre-Kindergarten Programs	\$0							
1210 Programs for the Talented and Gifted	\$0							
1220 Restrictive Programs for Students with Disabilities	\$1,016				\$1,016			
1250 Less Restrictive Programs for Students with Disabilities	\$618,067	\$348,423	\$256,396	\$13,248				
1260 Treatment and Habilitation	\$0							
1271 Remediation	\$0							
1272 Title I	\$1,206,038	\$684,474	\$444,623	\$31,589	\$45,351			
1280 Alternative Education	\$198,758	\$110,331	\$64,961		\$23,466			
1291 English Second Language Programs	\$37,682	\$17,841	\$18,808	\$209	\$825			
1292 Teen Parent Program	\$0							
1293 Migrant Education	\$0							
1294 Youth Corrections Education	\$0							
1299 Other Programs	\$0							
1300 Adult/Continuing Education Programs	\$0							
1400 Summer School Programs	\$3,438	\$2,542	\$896					
<b>Total Instruction Expenditures</b>	<b>\$3,867,111</b>	<b>\$1,627,182</b>	<b>\$1,029,800</b>	<b>\$338,149</b>	<b>\$770,818</b>	<b>\$37,328</b>	<b>\$63,835</b>	<b>\$0</b>
Support Services Expenditures	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
2110 Attendance and Social Work Services	\$222,865	\$117,798	\$79,109	\$25	\$25,833		\$100	
2120 Guidance Services	\$249,376	\$144,506	\$85,850	\$18,580	\$440			
2130 Health Services	\$0							
2140 Psychological Services	\$0							
2150 Speech Pathology and Audiology Services	\$396						\$396	
2160 Other Student Treatment Services	\$0							
2190 Service Direction, Student Support Services	\$134,179	\$76,163	\$54,738	\$2,683			\$595	
2210 Improvement of Instruction Services	\$262,131	\$122,369	\$70,344	\$68,319	\$1,099			
2220 Educational Media Services	\$0							
2230 Assessment & Testing	\$0							
2240 Instructional Staff Development	\$62,439	\$1,900	\$1,067	\$58,148	\$1,324			
2310 Board of Education Services	\$0							
2320 Executive Administration Services	\$0							
2410 Office of the Principal Services	\$12,852			\$12,852				
2490 Other Support Services - School Administration	\$0							
2520 Fiscal Services	\$14,915						\$14,915	
2540 Operation and Maintenance of Plant Services	\$80,274			\$29,229	\$9,493	\$41,471	\$81	
2550 Student Transportation Services	\$474,606	\$3,079	\$3,381	\$63,799		\$404,347		
2570 Internal Services	\$3,303				\$3,303			
2610 Direction of Central Support Services	\$0							
2620 Planning, Evaluation, Grant Writing and Statistical Svcs	\$15,643	\$8,564	\$6,087		\$992			
2630 Information Services	\$0							
2640 Staff Services	\$15,197	\$6,670	\$2,785	\$164	\$5,578			
2660 Technology Services	\$24,050			\$2,220	\$270	\$21,560		
2670 Records Management Services	\$0							
2680 Interpretation & Translation Services	\$52,127	\$27,080	\$25,047					
2690 Other Support Services - Central	\$0							
2700 Supplemental Retirement Program	\$0							
<b>Total Support Services Expenditures</b>	<b>\$1,624,354</b>	<b>\$508,127</b>	<b>\$328,410</b>	<b>\$256,020</b>	<b>\$48,332</b>	<b>\$467,378</b>	<b>\$16,087</b>	<b>\$0</b>
Enterprise and Community Services Expenditures	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
3100 Food Services	\$1,888,619	\$593,456	\$480,896	\$37,549	\$749,993		\$26,725	
3200 Other Enterprise Services	\$0							
3300 Community Services	\$38,462	\$810	\$329	\$27,023	\$10,300			
3500 Custody and Care of Children Services	\$0							
<b>Total Enterprise and Community Services Expenditures</b>	<b>\$1,927,082</b>	<b>\$594,267</b>	<b>\$481,225</b>	<b>\$64,572</b>	<b>\$760,293</b>	<b>\$0</b>	<b>\$26,725</b>	<b>\$0</b>
Facilities Acquisition and Construction Expenditures	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
4110 Service Area Direction	\$0							
4120 Site Acquisition and Development Services	\$0							
4150 Building Acquisition, Construction, and Improvement Services	\$93,295			\$91,741		\$1,554		
4180 Other Capital Items	\$0							
4190 Other Facilities Construction Services	\$0							
<b>Total Facilities Acquisition and Construction</b>	<b>\$93,295</b>	<b>\$0</b>	<b>\$0</b>	<b>\$91,741</b>	<b>\$0</b>	<b>\$1,554</b>	<b>\$0</b>	<b>\$0</b>
Other Uses Expenditures	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
5100 Debt Service	\$0							
5200 Transfers of Funds	\$850,000							\$850,000
5300 Apportionment of Funds by ESD	\$0							
5400 PERS UAL Bond Lump Sum	\$0							
<b>Total Other Uses Expenditures</b>	<b>\$850,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$850,000</b>
<b>Grand Total</b>	<b>\$8,361,841</b>	<b>\$2,729,576</b>	<b>\$1,839,434</b>	<b>\$750,481</b>	<b>\$1,579,442</b>	<b>\$506,261</b>	<b>\$106,647</b>	<b>\$850,000</b>

**2019-20 DISTRICT AUDIT EXPENDITURE SUMMARY**  
**Lebanon Community School District #9**

**Fund: 300 Debt Service Funds**

Instruction Expenditures	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
1111 Elementary, K-5 or K-6	\$0							
1113 Elementary Extracurricular	\$0							
1121 Middle/Junior High Programs	\$0							
1122 Middle/Junior High School Extracurricular	\$0							
1131 High School Programs	\$0							
1132 High School Extracurricular	\$0							
1140 Pre-Kindergarten Programs	\$0							
1210 Programs for the Talented and Gifted	\$0							
1220 Restrictive Programs for Students with Disabilities	\$0							
1250 Less Restrictive Programs for Students with Disabilities	\$0							
1260 Treatment and Habilitation	\$0							
1271 Remediation	\$0							
1272 Title I	\$0							
1280 Alternative Education	\$0							
1291 English Second Language Programs	\$0							
1292 Teen Parent Program	\$0							
1293 Migrant Education	\$0							
1294 Youth Corrections Education	\$0							
1299 Other Programs	\$0							
1300 Adult/Continuing Education Programs	\$0							
1400 Summer School Programs	\$0							
<b>Total Instruction Expenditures</b>	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Support Services Expenditures</b>	<b>Totals</b>	<b>Object 100</b>	<b>Object 200</b>	<b>Object 300</b>	<b>Object 400</b>	<b>Object 500</b>	<b>Object 600</b>	<b>Object 700</b>
2110 Attendance and Social Work Services	\$0	\$0	\$0					
2120 Guidance Services	\$0							
2130 Health Services	\$0							
2140 Psychological Services	\$0							
2150 Speech Pathology and Audiology Services	\$0							
2160 Other Student Treatment Services	\$0							
2190 Service Direction, Student Support Services	\$0							
2210 Improvement of Instruction Services	\$0							
2220 Educational Media Services	\$0							
2230 Assessment & Testing	\$0							
2240 Instructional Staff Development	\$0							
2310 Board of Education Services	\$0							
2320 Executive Administration Services	\$0							
2410 Office of the Principal Services	\$0							
2490 Other Support Services - School Administration	\$0							
2510 Direction of Business Support Services	\$0							
2520 Fiscal Services	\$0							
2540 Operation and Maintenance of Plant Services	\$0							
2550 Student Transportation Services	\$0							
2570 Internal Services	\$0							
2610 Direction of Central Support Services	\$0							
2620 Planning, Research, Development, Evaluation Services, Grant Writing and Statistical Services	\$0							
2630 Information Services	\$0							
2640 Staff Services	\$0							
2660 Technology Services	\$0							
2670 Records Management Services	\$0							
2690 Other Support Services - Central	\$0							
2700 Supplemental Retirement Program	\$0							
<b>Total Support Services Expenditures</b>	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Enterprise and Community Services Expenditures</b>	<b>Totals</b>	<b>Object 100</b>	<b>Object 200</b>	<b>Object 300</b>	<b>Object 400</b>	<b>Object 500</b>	<b>Object 600</b>	<b>Object 700</b>
3100 Food Services	\$0							
3200 Other Enterprise Services	\$0							
3300 Community Services	\$0							
3500 Custody and Care of Children Services	\$0							
<b>Total Enterprise and Community Services Expenditures</b>	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Facilities Acquisition and Construction Expenditures</b>	<b>Totals</b>	<b>Object 100</b>	<b>Object 200</b>	<b>Object 300</b>	<b>Object 400</b>	<b>Object 500</b>	<b>Object 600</b>	<b>Object 700</b>
4110 Service Area Direction	\$0							
4120 Site Acquisition and Development Services	\$0							
4150 Building Acquisition, Construction, and Improvement Services	\$0							
4180 Other Capital Items	\$0							
4190 Other Facilities Construction Services	\$0							
<b>Total Facilities Acquisition and Construction Expenditures</b>	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Other Uses Expenditures</b>	<b>Totals</b>	<b>Object 200</b>	<b>Object 300</b>	<b>Object 400</b>	<b>Object 500</b>	<b>Object 600</b>	<b>Object 700</b>	
2520 Fiscal Services	\$29,350		\$25,500			\$3,850		
<b>Total Support Services Expenditures</b>	\$29,350	\$0	\$25,500	\$0	\$0	\$3,850	\$0	
5100 Debt Service	\$4,065,594					\$4,065,594		
5200 Transfers of Funds	\$0							
5300 Apportionment of Funds by ESD	\$0							
5400 PERS UAL Bond Lump Sum	\$0							
<b>Total Other Uses Expenditures</b>	\$4,065,594	\$0	\$0	\$0	\$0	\$4,065,594	\$0	
<b>Grand Total</b>	\$4,094,944	\$0	\$0	\$25,500	\$0	\$4,069,444	\$0	

**2019-20 DISTRICT AUDIT EXPENDITURE SUMMARY**  
**Lebanon Community School District #9**

**Fund: 500 Enterprise Funds**

		Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
<b>Instruction Expenditures</b>									
1111 Elementary, K-5 or K-6		\$0							
1113 Elementary Extracurricular		\$0							
1121 Middle/Junior High Programs		\$0							
1122 Middle/Junior High School Extracurricular		\$0							
1131 High School Programs		\$283,716			\$10,462		\$272,753	\$500	
1132 High School Extracurricular		\$0							
1140 Pre-Kindergarten Programs		\$0							
1210 Programs for the Talented and Gifted		\$0							
1220 Restrictive Programs for Students with Disabilities		\$0							
1250 Less Restrictive Programs for Students with Disabilities		\$0							
1260 Treatment and Habilitation		\$0							
1271 Remediation		\$0							
1272 Title I		\$0							
1280 Alternative Education		\$0							
1291 English Second Language Programs		\$0							
1292 Teen Parent Program		\$0							
1293 Migrant Education		\$0							
1294 Youth Corrections Education		\$0							
1299 Other Programs		\$0							
1300 Adult/Continuing Education Programs		\$0							
1400 Summer School Programs		\$0							
<b>Total Instruction Expenditures</b>		\$283,716	\$0	\$0	\$10,462	\$0	\$272,753	\$500	\$0
<b>Support Services Expenditures</b>									
2110 Attendance and Social Work Services		\$0	\$0	\$0					
2120 Guidance Services		\$0							
2130 Health Services		\$0							
2140 Psychological Services		\$0							
2150 Speech Pathology and Audiology Services		\$0							
2160 Other Student Treatment Services		\$0							
2190 Service Direction, Student Support Services		\$0							
2210 Improvement of Instruction Services		\$0							
2220 Educational Media Services		\$0							
2230 Assessment & Testing		\$0							
2240 Instructional Staff Development		\$0							
2310 Board of Education Services		\$0							
2320 Executive Administration Services		\$0							
2410 Office of the Principal Services		\$0							
2490 Other Support Services - School Administration		\$0							
2510 Direction of Business Support Services		\$0							
2520 Fiscal Services		\$0							
2540 Operation and Maintenance of Plant Services		\$0							
2550 Student Transportation Services		\$0							
2570 Internal Services		\$0							
2610 Direction of Central Support Services		\$0							
2620 Planning, Research, Development, Evaluation Services, Grant Writing and Statistical Services		\$0							
2630 Information Services		\$0							
2640 Staff Services		\$0							
2660 Technology Services		\$0							
2670 Records Management Services		\$0							
2690 Other Support Services - Central		\$0							
2700 Supplemental Retirement Program		\$0							
<b>Total Support Services Expenditures</b>		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Enterprise and Community Services Expenditures</b>									
3100 Food Services		\$0							
3200 Other Enterprise Services		\$0							
3300 Community Services		\$0							
3500 Custody and Care of Children Services		\$0							
<b>Total Enterprise and Community Services Expenditures</b>		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Facilities Acquisition and Construction Expenditures</b>									
4110 Service Area Direction		\$0							
4120 Site Acquisition and Development Services		\$0							
4150 Building Acquisition, Construction, and Improvement		\$0							
4180 Other Capital Items		\$0							
4190 Other Facilities Construction Services		\$0							
<b>Total Facilities Acquisition and Construction Expenditures</b>		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Other Uses Expenditures</b>									
5100 Debt Service		\$0							
5200 Transfers of Funds		\$0							
5300 Apportionment of Funds by ESD		\$0							
5400 PERS UAL Bond Lump Sum		\$0							
<b>Total Other Uses Expenditures</b>		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Grand Total</b>		\$283,716	\$0	\$0	\$10,462	\$0	\$272,753	\$500	\$0

**2019-20 DISTRICT AUDIT EXPENDITURE SUMMARY**  
**Lebanon Community School District #9**

**Fund: 600 Internal Service Funds**

<b>Instruction Expenditures</b>		<b>Totals</b>	<b>Object 100</b>	<b>Object 200</b>	<b>Object 300</b>	<b>Object 400</b>	<b>Object 500</b>	<b>Object 600</b>	<b>Object 700</b>
1111 Elementary, K-5 or K-6		\$0							
1113 Elementary Extracurricular		\$0							
1121 Middle/Junior High Programs		\$0							
1122 Middle/Junior High School Extracurricular		\$0							
1131 High School Programs		\$0							
1132 High School Extracurricular		\$0							
1140 Pre-Kindergarten Programs		\$0							
1210 Programs for the Talented and Gifted		\$0							
1220 Restrictive Programs for Students with Disabilities		\$0							
1250 Less Restrictive Programs for Students with Disabilities		\$0							
1260 Treatment and Habilitation		\$0							
1271 Remediation		\$0							
1272 Title I		\$0							
1280 Alternative Education		\$0							
1291 English Second Language Programs		\$0							
1292 Teen Parent Program		\$0							
1293 Migrant Education		\$0							
1294 Youth Corrections Education		\$0							
1299 Other Programs		\$0							
1300 Adult/Continuing Education Programs		\$0							
1400 Summer School Programs		\$0							
<b>Total Instruction Expenditures</b>		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Support Services Expenditures</b>		<b>Totals</b>	<b>Object 100</b>	<b>Object 200</b>	<b>Object 300</b>	<b>Object 400</b>	<b>Object 500</b>	<b>Object 600</b>	<b>Object 700</b>
2110 Attendance and Social Work Services		\$0	\$0	\$0					
2120 Guidance Services		\$0							
2130 Health Services		\$0							
2140 Psychological Services		\$0							
2150 Speech Pathology and Audiology Services		\$0							
2160 Other Student Treatment Services		\$0							
2190 Service Direction, Student Support Services		\$0							
2210 Improvement of Instruction Services		\$0							
2220 Educational Media Services		\$0							
2230 Assessment & Testing		\$0							
2240 Instructional Staff Development		\$0							
2310 Board of Education Services		\$0							
2320 Executive Administration Services		\$63,933			\$63,933				
2410 Office of the Principal Services		\$0							
2490 Other Support Services - School Administration		\$0							
2510 Direction of Business Support Services		\$0							
2520 Fiscal Services		\$0							
2540 Operation and Maintenance of Plant Services		\$0							
2550 Student Transportation Services		\$0							
2570 Internal Services		\$0							
2610 Direction of Central Support Services		\$0							
2620 Planning, Research, Development, Evaluation Services, Grant		\$0							
2620 Writing and Statistical Services		\$0							
2630 Information Services		\$0							
2640 Staff Services		\$0							
2660 Technology Services		\$0							
2670 Records Management Services		\$0							
2690 Other Support Services - Central		\$0							
2700 Supplemental Retirement Program		\$0							
<b>Total Support Services Expenditures</b>		\$63,933	\$0	\$0	\$63,933	\$0	\$0	\$0	\$0
<b>Enterprise and Community Services Expenditures</b>		<b>Totals</b>	<b>Object 100</b>	<b>Object 200</b>	<b>Object 300</b>	<b>Object 400</b>	<b>Object 500</b>	<b>Object 600</b>	<b>Object 700</b>
3100 Food Services		\$0							
3200 Other Enterprise Services		\$0							
3300 Community Services		\$0							
3500 Custody and Care of Children Services		\$0							
<b>Total Enterprise and Community Services Expenditures</b>		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Facilities Acquisition and Construction Expenditures</b>		<b>Totals</b>	<b>Object 100</b>	<b>Object 200</b>	<b>Object 300</b>	<b>Object 400</b>	<b>Object 500</b>	<b>Object 600</b>	<b>Object 700</b>
4110 Service Area Direction		\$0							
4120 Site Acquisition and Development Services		\$0							
4150 Building Acquisition, Construction, and Improvement Services		\$0							
4180 Other Capital Items		\$0							
4190 Other Facilities Construction Services		\$0							
<b>Total Facilities Acquisition and Construction Expenditures</b>		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Other Uses Expenditures</b>		<b>Totals</b>	<b>Object 200</b>	<b>Object 300</b>	<b>Object 400</b>	<b>Object 500</b>	<b>Object 600</b>	<b>Object 700</b>	
5100 Debt Service		\$0							
5200 Transfers of Funds		\$0							
5300 Apportionment of Funds by ESD		\$0							
5400 PERS UAL Bond Lump Sum		\$0							
<b>Total Other Uses Expenditures</b>		\$0	\$0	\$0	\$0	\$0	\$0	\$0	
<b>Grand Total</b>		\$63,933	\$0	\$0	\$63,933	\$0	\$0	\$0	\$0

**LEBANON COMMUNITY SCHOOL DISTRICT NO. 9**  
**LEBANON, OREGON**  
**SCHEDULE OF FUTURE REQUIREMENTS OF BONDED DEBT**  
**June 30, 2020**

**GENERAL OBLIGATION BONDS**

YEAR Ending June 30	G.O. Bonds - 2005 Issue		
	PRINCIPAL	INTEREST	TOTAL
2021	1,055,000	817,288	1,872,288
2022	1,175,000	761,900	1,936,900
2023	1,220,000	700,213	1,920,213
2024	-	636,162	636,162
2025	160,000	636,163	796,163
2026	1,635,000	628,962	2,263,962
2027	2,000,000	543,125	2,543,125
2028	2,260,000	433,125	2,693,125
2029	2,615,000	308,824	2,923,824
2030	3,000,000	165,000	3,165,000
TOTALS	\$ 15,120,000	\$ 5,630,762	\$ 20,750,762

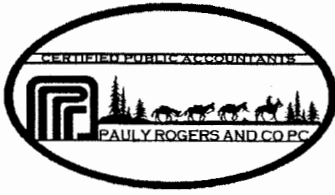
YEAR Ending June 30	G.O. Bonds - 2011 Issue		
	PRINCIPAL	INTEREST	TOTAL
2021	1,240,000	45,475	1,285,475
TOTALS	\$ 1,240,000	\$ 45,475	\$ 1,285,475

YEAR Ending June 30	QSCB School Construction Bonds - 2011 Issue		
	PRINCIPAL	INTEREST	TOTAL
2021	-	97,214	97,214
2022	-	97,213	97,213
2023	-	97,214	97,214
2024	-	97,213	97,213
2025	-	97,214	97,214
2026	1,895,000	97,213	1,992,213
TOTALS	\$ 1,895,000	\$ 583,281	\$ 2,478,281

YEAR Ending June 30	G.O. Bonds - 2019 Issue		
	PRINCIPAL	INTEREST	TOTAL
2021	250,000	434,956	684,956
2022	1,575,000	430,298	2,005,298
2023	1,720,000	399,790	2,119,790
2024	3,150,000	364,168	3,514,168
2025	3,160,000	297,356	3,457,356
2026	1,875,000	223,824	2,098,824
2027	1,760,000	177,380	1,937,380
2028	1,765,000	133,046	1,898,046
2029	1,700,000	87,880	1,787,880
2030	1,625,000	43,696	1,668,696
TOTALS	\$ 18,580,000	\$ 2,592,394	\$ 21,172,394

**INDEPENDENT AUDITORS' REPORT REQUIRED BY OREGON STATE REGULATIONS**

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**PAULY, ROGERS AND CO., P.C.**  
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(503) 620-2632 ♦ (503) 684-7523 FAX  
www.paulyrogersandcocpas.com

December 21, 2020

### **Independent Auditors' Report Required by Oregon State Regulations**

We have audited the basic financial statements of the Lebanon Community School District No. 9 as of and for the year ended June 30, 2020, and have issued our report thereon dated December 21, 2020. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and Government Auditing Standards.

#### **Compliance**

As part of obtaining reasonable assurance about whether the basic financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-10-000 through 162-10-320 of the Minimum Standards for Audits of Oregon Municipal Corporations, noncompliance with which could have a direct and material effect on the determination of basic financial statements amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion.

We performed procedures to the extent we considered necessary to address the required comments and disclosures which included, but were not limited to the following:

- **Deposit of public funds with financial institutions (ORS Chapter 295)**
- **Indebtedness limitations, restrictions and repayment.**
- **Budgets legally required (ORS Chapter 294).**
- **Insurance and fidelity bonds in force or required by law.**
- **Programs funded from outside sources.**
- **Authorized investment of surplus funds (ORS Chapter 294).**
- **Public contracts and purchasing (ORS Chapters 279A, 279B, 279C).**
- **State school fund factors and calculation.**

In connection with our testing nothing came to our attention that caused us to believe the Lebanon Community School District No. 9 was not in substantial compliance with certain provisions of laws, regulations, contracts, and grants, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-10-000 through 162-10-320 of the Minimum Standards for Audits of Oregon Municipal Corporations, except as follows:

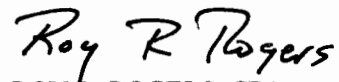
- During our testing of teacher experience, we found that the experience for five teachers was under-reported by the District.
- Expenditures of all the various funds were within authorized appropriations, except as noted on page 16 of the report



**OAR 162-10-0230 Internal Control**

In planning and performing our audit, we considered the internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the basic financial statements, but not for the purpose of expressing an opinion on the effectiveness of the internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the internal control over financial reporting.

This report is intended solely for the information and use of the Board and management and the Oregon Secretary of State and is not intended to be and should not be used by anyone other than these parties.



ROY R. ROGERS, CPA  
PAULY, ROGERS AND CO., P.C.

**GRANT COMPLIANCE REVIEW**

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LEBANON COMMUNITY SCHOOL DISTRICT NO. 9  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR YEAR ENDED JUNE 30, 2020

FEDERAL GRANTOR/PASS-THROUGH GRANTOR/ PROGRAM TITLE	FEDERAL CFDA NUMBER	PASS-THROUGH GRANTORS NUMBER	EXPENDITURES (BUDGETARY BASIS)
U.S. DEPARTMENT OF EDUCATION			
Passed Through State Department of Education			
Grants to Local Education Agencies			
Title I			
Title IA/ID	84.010	N/A	\$ 1,231,168
ESSA District & School Improvement	84.010	N/A	<u>63,875</u>
Total Title I Cluster			<u>1,295,043</u>
Title IVA Grants			
Title IVA	84.424		<u>90,649</u>
Total Title IVA			<u>90,649</u>
Title IIA Teacher Quality	84.367	N/A	145,273
Title III English Language Acquisition	84.365		<u>1,741</u>
			<u>147,014</u>
Special Education-Grants to States			
IDEA Part B - Section 611	84.027	N/A	<u>731,842</u>
Total IDEA Special Education Cluster			<u>731,842</u>
MTSS LEA Coaches	84.323		<u>103</u>
			<u>103</u>
Total Passed Through Oregon State Department of Education			<u>2,264,651</u>
Passed Through Linn-Benton Community College			
Career and Technical-Basic Grants to States			
Perkins Title I	84.048	N/A	<u>41,315</u>
Passed Through Oregon State University			
Gaining Early Awareness and Readiness for Undergraduates	84.334A		<u>34,152</u>
Passed Through University of Oregon			
National Writing Project	84.367D		<u>3,000</u>
TOTAL U.S. DEPARTMENT OF EDUCATION			<u>2,343,118</u>
Passed Through State of Oregon Department of Health Services			
Youth Transition Program (YTP)	84.126A		<u>40,343</u>
U.S. DEPARTMENT OF DEFENSE			
Passed Through University of Oregon			
JROTC Program	12.000		<u>77,982</u>

LEBANON COMMUNITY SCHOOL DISTRICT NO. 9  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR YEAR ENDED JUNE 30, 2020

U.S. DEPARTMENT OF AGRICULTURE			
National School Lunch Program			
Food Distribution/USDA Commodities	10.555		169,157
School Breakfast Program	10.553	296-4505-850	376,317
COVID-19 CARES NSLP Breakfast	10.553		29,954
National School Lunch Program	10.555	296-4506-850	592,673
COVID-19 CARES Lunch	10.555		48,612
Food Service Health Inspection	10.559		900
Summer Food Service Program	10.559		30,398
COVID-19 CARES SFSP Meals	10.559		279,004
Total Child Nutrition Cluster			<u>1,527,015</u>
Fresh Fruits & Vegetables Program	10.582		33,166
Child Care-Cash for Commodities	10.558		1,818
Child Care-Food/Supper Program	10.558		23,860
COVID-19 CARES CACFP Meals	10.558		2,240
Passed Through Linn County			
Schools and Roads	10.666		<u>157,805</u>
TOTAL U.S. DEPARTMENT OF AGRICULTURE			<u>1,745,904</u>
TOTAL FEDERAL EXPENDITURES			<u>\$ 4,207,348</u>



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December 21, 2020

To the Board of Directors  
Lebanon Community School District No. 9  
Linn County, Oregon

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF BASIC FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the basic financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Lebanon Community School District No. 9 as of and for the year ended June 30, 2020 and the related notes to the basic financial statements, which collectively comprise the basic financial statements, and have issued our report thereon dated December 21, 2020.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the basic financial statements, we considered the internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the basic financial statements, but not for the purpose of expressing an opinion on the effectiveness of internal control. Accordingly, we do not express an opinion on the effectiveness of internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the basic financial statements will not be prevented, or detected and corrected on a timely basis.

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did identify a deficiency in internal control that we consider to be a material weakness. However, material weaknesses may exist that have not been identified.

## **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the basic financial statements are free from material misstatement, we performed tests of compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of basic financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance or other matters that is required to be reported under *Government Auditing Standards* which is described in the accompanying schedule of findings and questioned costs.

## **District's Response to Findings**

The District's response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. The District's response was not subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on it.

## **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



ROY R. ROGERS, CPA  
PAULY, ROGERS AND CO., P.C



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December 21, 2020

To the Board of Directors  
Lebanon Community School District No. 9  
Linn County, Oregon

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM  
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

**Report on Compliance for Each Major Federal Program**

We have audited Lebanon Community School District's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the major federal programs for the year ended June 30, 2020. The major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

**Management's Responsibility**

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

**Auditors' Responsibility**

Our responsibility is to express an opinion on compliance for each of the major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of compliance.

**Opinion on Each Major Federal Program**

In our opinion, Lebanon Community School District, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2020.



## Report on Internal Control Over Compliance

Management is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



ROY R. ROGERS, CPA  
PAULY, ROGERS AND CO., P.C.

**LEBANON COMMUNITY SCHOOL DISTRICT NO. 9**  
**LEBANON, OREGON**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

**For the Year Ended June 30, 2020**

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**SECTION I – SUMMARY OF AUDITORS’ RESULTS**

***Basic Financial Statements***

Type of Auditors’ report issued:	Modified	
Internal control over financial reporting:		
• Material weakness(es) identified?	<u>  x  </u> Yes	<u>      </u> No
• Significant deficiency(ies) identified that are not considered to be material weaknesses	<u>      </u> Yes	<u>  x  </u> None reported
Noncompliance material to basic financial statements noted?	<u>  x  </u> Yes	<u>      </u> No
Any GAGAS audit findings disclosed that are required to be reported in accordance with the Uniform Guidance?	<u>  x  </u> Yes	<u>      </u> No

***Federal Awards***

Internal control over major programs:		
• Material weakness(es) identified?	<u>      </u> Yes	<u>  x  </u> No
• Significant deficiency(ies) identified that are not considered to be material weaknesses	<u>      </u> Yes	<u>  x  </u> None reported
Type of auditors’ report issued on compliance for major programs:	Unmodified	
Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance?	<u>      </u> Yes	<u>  x  </u> No

Identification of major programs:

CFDA Number(s):

Name of Federal Program:

84.027  
10.553, 10.555, 10.559

IDEA – Special Education Cluster  
Child Nutrition Cluster

Dollar threshold used to distinguish between type A and type B programs:   \$ 750,000  

Auditee qualified as low-risk auditee?        Yes   x   No

**LEBANON COMMUNITY SCHOOL DISTRICT NO. 9**  
**LEBANON, OREGON**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

**For the Year Ended June 30, 2020**

---

**SECTION II – FINANCIAL STATEMENT FINDINGS**

**FINDING 2020-001- Material Weakness in Internal Controls over Financial Reporting – Repeat Finding from 2019**

**Criteria:** Financial Statements should be presented in conformance with GAAP to allow the auditor to render an unmodified opinion.

**Condition:** With the implementation of GASB 73 and 75, actuarial valuations of other post-employment benefits (OPEB) need to be made.

**Context:** The effect of these potential OPEB liabilities on the Statement of Net Position is unknown.

**Effect:** The District's Net Position may be understated or overstated.

**Cause:** Management has not obtained an actuarial valuation of the post-employment benefit obligation related to either stipends or implicit healthcare subsidy in accordance with GASB 73 and 75.

**Recommendation:** We recommend the District contract with a 3rd party actuary to obtain an actuarial valuation of the District's OPEB Liabilities in accordance with GASB 73 and 75.

**Views of responsible officials and planned corrective actions:** The District will consider obtaining an actuarial valuation from an actuarial firm in accordance with GASB 73 and 75 for future fiscal years.

**SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS**

None

**SECTION IV – SUMMARY OF PRIOR AUDIT FINDINGS**

**FINDING 2019-001- Material Weakness in Internal Controls over Major Program**

**Criteria:** Title IA Grant reimbursement claims should only be requested after the funds are expended by the District. In 2018-2019, some reimbursement claims were submitted prior to funds being expended.

**Views of responsible officials and planned corrective actions:**

The District will implement new procedures for reconciliation prior to requesting funds.

**Status:** The District has only requested Title IA reimbursements after appropriately expending funds during 2019-2020.

**FINDING 2019-002- Material Weakness in Internal Controls over Financial Reporting**

**Criteria:** Bank reconciliation preparation, review, and approval should be done in a timely fashion each month. For 2018-2019, reconciliations were not being prepared, reviewed, and approved in a timely fashion.

**LEBANON COMMUNITY SCHOOL DISTRICT NO. 9**  
**LEBANON, OREGON**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

**For the Year Ended June 30, 2020**

---

**Views of responsible officials and planned corrective actions:** The District has new staff in place to assist with month-end close, including bank reconciliations.

**Status:** For 2019-2020, the preparation, review, and approval of bank reconciliations for the District's accounts are being done on a timely basis.

**NOTES TO SCHEDULE OF EXPENDITURE OF FEDERAL AWARDS**

1. BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes federal grant activity under programs of the federal government. The information in this schedule is presented in accordance with the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because the schedule presents only a selected portion of the operations, it is not intended to and does not present the net position, changes in net position, or cash flows of the District.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowed or are limited as to reimbursement. Negative amounts shown on the schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. The District has not elected to use the ten percent de minimis indirect cost rate as allowed under Uniform Guidance, due to the fact that they already have a negotiated indirect cost rate with the Oregon Department of Education, and thus are not allowed to use the de minimis rate.

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# Agenda Item 8

*Financial Reports*

# BOARD MEMORANDUM



**To:** The Honorable Chair and Members  
Lebanon Community School District Board of Directors

**From:** William H. Lewis III, Business Director

**Date:** April 1, 2021

**Meeting Date:** April 08, 2021

**Re:** Financial Report and Fiscal Updates

## **Financial Report**

The 2020-2021 Financial Board Report included in this packet reflects all revenues and expenditures for 2015-2019 and the budgeted YTD expenditures, plus encumbered amounts for 2020-2021 as of 4/01/21.

**Audit Update-**The district RFP for audit service is due at the end of the week. A recommendation for approval of a district contract for audit services will be on the April agenda, with additional information forwarded before the board meeting.

**SRGP Construction Update-**Final 100% working architectural plans for the LHS seismic upgrade are being finalized. Sub-contractor contracts are being finalized. Direct project work will start as early as late April.

**2020-21 Budget Update-** The district would like to accept the Elementary and Secondary School Emergency Relief Fund II funds from ODE. The funding levels are above the threshold of 10% required for a supplementary budget. The district will bring a supplemental appropriation to the May board meeting for approval. The supplemental budget process is similar to the regular budget process. The district is required to advertise a budget meeting to approve the supplemental budget. There will be a formal supplemental budget adoption request. The full budget committee is not required to attend.

**District Controls-**District accounting controls were discussed at the March school board meeting. We will be bringing the districts accounting control procedures and policies to the May board meeting for a quick review with the board.

## 2020-2021 General Fund Summary Report

	13/14 Actual	16/17 Actual	17/18 Actual	18/19 Budget	19/20 Budget	20-21 Budget	4-01-21 YTD & Enc	4-01-21 Balance
<b>General Fund - Revenue</b>								
SSF Formula		37,131,855	40,190,370	39,633,000	39,705,718	43,560,057	37,549,024	6,011,033
SSF Adjustment		390,697	280,233	-	250,598	-	-	-
State Fiscal Stabilization Fu					-	-	-	-
Federal Ed Jobs					-	-	-	-
School Year SubAccount					-	-	-	-
Loan Receipts					-	-	-	-
Interest		156,492	267,981	100,000	322,591	250,000	102,662	147,338
Third Party Billing		102,447	72,379	80,000	-	-	-	-
TMR		208,252	210,894	175,000	180,556	210,000	103,846	106,154
JROTC		73,726	69,777	65,000	35,236	65,000	34,652	30,348
Other		299,398	360,539	420,000	361,770	387,500	164,811	222,689
Interfund Transfer		60,000	82,657	70,000	8,029	-	-	-
BFB		3,024,733	3,310,041	5,075,000	5,263,314	3,784,307	4,046,537	(262,230)
<b>Total</b>		<b>41,447,600</b>	<b>44,844,870</b>	<b>45,618,000</b>	<b>46,127,812</b>	<b>48,256,864</b>	<b>42,001,532</b>	<b>6,255,332</b>
	=====	=====	=====	=====	=====	=====	=====	=====
<b>General Fund - Expenses</b>								
Salaries		18,826,313	19,506,444	21,146,522	1,626,358	21,680,883	20,320,627	1,360,256
Benefits		10,952,659	12,144,929	13,883,105	1,075,711	15,086,873	13,424,460	1,662,414
P. Services		4,332,849	4,321,151	4,804,971	1,173,868	5,299,827	3,464,285	1,835,542
Supplies		1,337,164	1,742,328	1,670,267	(293,397)	1,530,133	1,284,920	245,213
Capital Outlay		65,034	195,888	54,500	(141,973)	90,000	37,302	52,698
Other Objects		442,882	335,817	437,635	18,724	469,147	376,280	92,867
Transfers		2,180,656	1,335,000	2,621,000	1,286,000	2,100,000	2,100,000	-
Contingency		-	-	1,000,000	-	2,000,000	-	2,000,000
<b>Total</b>		<b>38,137,559</b>	<b>39,581,557</b>	<b>45,618,000</b>	<b>4,745,292</b>	<b>48,256,864</b>	<b>41,007,874</b>	<b>7,248,990</b>
	=====	=====	=====	=====	=====	=====	=====	=====



## 2020-2021 General Fund Expenditure Report

Obj	Description	16/17 Actual	17/18 Actual	18/19 Project	19/20 Budget	20/21 Budget	4-01-21 YTD	4-01-21 Encumb	4-01-21 Balance
111	Certified salaries	10,161,648	10,831,007	12,299,845	12,665,056	12,540,564	7,003,111	4,814,704	722,749
112	Classified salaries	4,545,055	4,757,666	5,617,686	6,227,931	6,008,791	3,568,029	2,044,905	395,858
113	Administrative salaries	1,648,330	1,614,127	1,782,092	1,873,807	1,863,955	1,406,075	483,389	(25,509)
114	Managerial - classified	178,755	187,797	249,120	154,577	289,051	213,693	73,771	1,588
116	Retirement stipends	51,134	35,621	19,904	91,904	133,413	71,275	50,000	12,138
119	Confidential salaries	84,504	131,698	159,789	162,808	284,898	209,232	73,926	1,740
121	Certified subs	432,293	446,157	43,660	2,000	0	0	0	0
122	Classified subs	155,004	150,074	42,523	1,500	23,975	0	0	23,975
123	Temp certified	73,949	133,971	162,287	82,264	45,425	0	0	45,425
124	Temp classified	0	0	23,111	8,000	21,658	5,856	0	15,801
127	Student helpers salaries	7,895	6,544	4,413	21,000	16,654	8,090	0	8,563
132	Compensation time	25,767	37,764	77,738	52,300	44,207	45,785	0	(1,578)
133	Extra duty	324,897	286,017	350,933	279,579	128,295	62,318	0	65,977
134	Classified extra hrs	185,048	192,566	200,393	208,000	0	0	0	0
135	Vacation Payoff	6,938	12,246	14,017	29,817	24,292	326	0	23,967
136	Mentor teacher pay	609	0	0	0	0	0	0	0
137	Personal Leave Payout	0	0	0	0	0	0	0	0
138	Department Head Extra Duty	1,613	1,556	788	6,000	30,000	0	0	30,000
142	Taxable Meal Reimbursement	903	1,503	2,073	0	809	10	0	799
143	Cell Phone Stipend				0	1,080	810	270	0
145	Travel Stipend				0	11,400	0	0	11,400
150	Club Advisor			34,950	29,650	120,904	103,830	67,840	(50,767)
	<b>Total Salaries</b>	<b>17,884,343</b>	<b>18,826,313</b>	<b>21,136,091</b>	<b>21,896,193</b>	<b>21,680,883</b>	<b>12,711,823</b>	<b>7,608,804</b>	<b>1,360,256</b>
210	PERS	4,187,401	4,442,519	5,780,868	7,398,130	7,286,664	4,176,728	2,515,679	594,257
220	Social Security	1,328,140	1,385,595	1,550,125	1,655,388	1,642,024	920,652	549,348	172,024
231	Worker's Comp	173,370	196,943	238,867	293,025	275,747	82,225	42,475	151,048
241	Employee Ins - Admin	212,862	208,912	239,427	215,642	275,263	194,471	64,394	16,398
242	Employee Ins - Certified	2,328,554	2,370,817	2,831,052	2,449,421	2,756,998	1,488,145	1,002,186	266,668
243	Employee Ins - Classified	2,137,321	2,102,847	2,408,513	2,327,520	2,596,579	1,404,697	838,273	353,609
244	Employee Ins - Other	7,731	27,124	36,487	33,429	65,298	49,895	18,218	(2,814)
245	Employee Ins - Retired	228,774	195,821	122,925	83,600	52,700	29,632	0	23,068
247	TSA	40,991	22,082	24,336	25,200	45,600	34,200	11,400	0
	<b>Total Benefits</b>	<b>10,645,144</b>	<b>10,952,659</b>	<b>13,232,600</b>	<b>14,481,355</b>	<b>15,086,873</b>	<b>8,382,486</b>	<b>5,041,973</b>	<b>1,662,414</b>
311	Instructional Services	157,581	110,051	121,558	103,800	76,375	42,107	0	34,268
312	Instr Prog Improve Service	36,748	39,424	33,042	53,000	67,750	20,351	0	47,400
319	Other Instr-Prof-Tech SVCS	9,745	23,110	11,205	20,000	10,000	3,650	0	6,350
322	Repairs & Maintenance	168,482	173,295	254,579	190,300	227,612	130,058	4,729	92,826
323	Radio Service	7,767	38,310	12,455	11,100	11,100	8,511	2,837	(248)
324	Rentals	104,777	102,560	121,067	129,400	88,286	43,982	5,431	38,873
325	Electricity	473,758	466,093	453,206	502,620	465,700	238,075	148,319	79,306

## 2020-2021 General Fund Expenditure Report

Obj	Description	16/17 Actual	17/18 Actual	18/19 Project	19/20 Budget	20/21 Budget	4-01-21 YTD	4-01-21 Encumb	4-01-21 Balance
326	Fuel	187,899	223,740	181,534	223,135	217,800	124,242	44,209	49,349
327	Water & Sewer	121,239	150,725	138,029	153,520	142,500	94,463	0	48,037
328	Garbage	96,811	95,095	112,864	102,400	87,000	70,123	0	16,877
329	Other Property Services	19,246	34,726	10,550	20,000	0	0	0	0
330	Reimb. Student Transportation	0	1,589	(64,563)	10,200	29,900	3,014	0	26,886
340	Travel	140,225	178,985	149,454	158,263	150,513	4,624	(28)	145,918
343	Travel - Student - Out of Dist.	0	2,916	1,140	5,300	4,500	0	0	4,500
346	Meals/Transportation	48	99	153	200	350	0	0	350
348	Staff Tuition	44,768	71,830	92,746	47,000	2,000	52,797	1,620	(52,417)
351	Telephone	70,529	39,486	44,987	73,165	65,100	36,674	8,792	19,635
353	Postage	21,909	14,712	24,224	26,074	28,900	17,909	3,026	7,966
354	Advertising	3,551	1,087	2,761	4,300	2,650	465	0	2,185
355	Printing & Binding	48,223	51,996	13,712	29,400	30,950	17,522	0	13,428
360	Charter School Payments	1,961,788	1,866,943	2,159,564	2,195,000	2,300,000	1,994,605	0	305,395
371	Tuitions Payments to Other Dist.	29,701	29,536	0	0	0	0	0	0
373	Tuition Pay Private School	0	0	0	5,000	0	0	0	0
374	Other Tuition	625,503	162,192	240,090	92,500	90,000	29,665	0	60,335
381	Audit Services	25,150	27,700	29,150	30,000	39,000	35,400	0	3,600
382	Legal Services	5,288	11,261	33,971	35,000	35,000	9,386	0	25,614
384	Negotiation Services	13,784	8,590	0	10,000	5,000	0	0	5,000
386	Data Processing SVCS	76,794	75,380	65,278	89,600	65,000	36,952	0	28,048
388	Election Services	0	1,573	4,623	5,000	5,000	0	0	5,000
389	Other Non_instr Pro/Tech	539,114	292,488	451,897	363,700	351,450	191,094	1,356	159,000
391	Physical Exams - Drivers	3,168	4,193	4,072	4,400	5,750	4,287	875	588
392	Drug Tests Drivers	635	1,255	1,670	3,000	2,250	1,130	870	250
393	Child Care Services	22,000	22,000	0	15,000	0	0	0	0
394	Sub calling service	7,489	6,464	14,113	15,000	12,000	0	0	12,000
395	Classified subs	0	0	226,030	194,000	228,600	16,928	0	211,672
396	Criminal History checks	2,928	3,179	4,066	3,200	3,500	90	0	3,410
398	Fingerprinting	462	266	38	1,000	2,500	177	0	2,323
399	Classified subs	0	0	499,109	425,000	445,791	8,384	0	437,407
	<b>Total P. Services</b>	<b>5,027,111</b>	<b>4,332,849</b>	<b>5,448,375</b>	<b>5,349,577</b>	<b>5,299,827</b>	<b>3,242,251</b>	<b>222,034</b>	<b>1,835,542</b>
406	Gas Oil & Lubricants	103,868	115,426	190,500	190,500	189,100	32,371	246,807	(90,078)
410	Supplies & Materials	419,096	486,014	452,860	648,024	651,837	292,884	8,591	350,362
413	Vehicle repair parts	48,980	44,746	27,649	52,800	50,500	15,082	23,659	11,759
414	Transportation operations	6,060	8,776	30,655	15,000	25,000	8,818	740	15,442
420	Textbooks	131,379	83,687	68,642	28,033	9,933	7,274	0	2,659
430	Library Books	8,588	5,880	5,914	15,694	8,200	2,150	0	6,050
440	Periodicals	1,937	5,354	6,511	6,000	10,800	10,538	9,911	(9,649)
460	Equipment under 5K	212,514	184,119	162,389	178,842	146,100	12,735	3,555	129,810
470	Computer software	195,888	181,289	184,472	264,360	257,398	274,320	18,065	(34,987)

## 2020-2021 General Fund Expenditure Report

Obj	Description	16/17 Actual	17/18 Actual	18/19 Project	19/20 Budget	20/21 Budget	4-01-21 YTD	4-01-21 Encumb	4-01-21 Balance
480	Computer hardware	252,444	221,873	146,797	170,593	181,265	53,416	264,004	(136,155)
	<b>Total Supplies &amp; Materials</b>	<b>1,380,753</b>	<b>1,337,164</b>	<b>1,276,389</b>	<b>1,569,846</b>	<b>1,530,133</b>	<b>709,587</b>	<b>575,333</b>	<b>245,213</b>
520	Buildings Acquisition				0	0	7,990	0	(7,990)
540	Equipment	20,047	65,034	39,805	54,500	25,000	21,165	8,147	(4,312)
564	Bus Replacement	0		258	0	0	0	0	0
	<b>Total Capital Outlay</b>	<b>20,047</b>	<b>65,034</b>	<b>47,641</b>	<b>54,500</b>	<b>90,000</b>	<b>29,155</b>	<b>8,147</b>	<b>52,698</b>
621	Regular Interest	0	0	0	500	0	0	0	0
640	Dues & Fees	67,655	178,632	101,706	175,180	159,726	0	0	159,726
650	Insurance & Judgments	218,639	230,250	245,279	265,588	306,221	66,253	309	239,659
651		0	0		0	0	0	0	0
652	Fidelity Bond Premiums	0	0		0	0	660	0	(660)
653	Property Insurance Premium	0	0		0	0	309,058	0	(309,058)
655	Judgments & Settlements	0	0		0	2,500	0	0	2,500
659	Settlements	0	34,000		0	0	0	0	0
670	Taxes & Licenses	0	0	0	200	700	0	0	700
	<b>Total Other Objects</b>	<b>286,294</b>	<b>442,882</b>	<b>346,985</b>	<b>441,468</b>	<b>469,147</b>	<b>375,971</b>	<b>309</b>	<b>92,867</b>
707	Transfer - Vocational House Func	0	0	40,000	0	70,000	70,000	0	0
710	Transfer - Technology	200,000	225,000	100,000	0	80,000	80,000	0	0
711	Transfer - Classroom Furniture	50,000	25,000	50,000	0	10,000	10,000	0	0
712	Transfer - Textbook Adoption	350,000	300,000	400,000	400,000	200,000	200,000	0	0
713	Transfer - Capital Improvement	250,000	250,000	400,000		200,000	200,000	0	0
714	Transfer - Track and Turf Fund	110,000	10,000	85,000	10,000	0	0	0	0
715	Transfer - Athletic Fund	365,000	405,000	446,000	450,000	475,000	475,000	0	0
716	Transfer - Bus Replacement	250,000	250,000	300,000	150,000	225,000	225,000	0	0
717	Transfer - Unemploy Ins	15,000	25,000	25,000	25,000	250,000	250,000	0	0
718	PERS Reserve	500,000	500,000	525,000	0	450,000	450,000	0	0
719	Transfer - Food Service	65,225	90,656	100,000	100,000	120,000	120,000	0	0
720	Transfer - Music/Band Replaceme	0	0	0	0	20,000	20,000	0	0
730	Transfer - Debt Service	0	100,000	150,000	50,000	0	0	0	0
731	Transfer - Academic Achievemen	0	0	0	0	0	0	0	0
	<b>Total Transfers</b>	<b>2,155,225</b>	<b>2,180,656</b>	<b>2,621,000</b>	<b>1,185,000</b>	<b>2,100,000</b>	<b>2,100,000</b>	<b>0</b>	<b>0</b>
810	Reserve/Contingency	0	0	0	1,750,000	2,000,000	0	0	2,000,000
	<b>Grand Total</b>	<b>37,398,917</b>	<b>38,137,559</b>	<b>44,109,082</b>	<b>46,727,940</b>	<b>48,256,864</b>	<b>27,552,255</b>	<b>13,456,600</b>	<b>7,248,990</b>

## 2020-2021 General Fund Revenue Report

		15/16	16/17	17/18	18/19	19/20	20-21	4-01-21	4-01-21
		Actual	Actual	Actual	Project	Budget	Budget	YTD	Balance
SSF Formula									
1111,	Taxes	8,533,160	9,048,901	10,057,517	10,136,079	10,938,094	10,938,094	10,787,278	150,816
4801,4899	Federal Forest Fees	205,708	23,160	142,770	179,478	130,000	130,000	-	130,000
3103	Common School	492,013	502,314	410,848	437,082	405,245	400,000	407,425	(7,425)
3104	State Timber	181,382	137,286	167,068	167,048	160,000	100,000	99,006	994
3101/3199	School Support Fund	26,623,971	27,420,195	29,412,167	29,101,930	31,264,455	31,791,963	26,230,704	5,561,259
Adjustments to SSF Payments									
	Adj for Prior Year payments	(330,463)	261,223	250,598	(755,646)				
	Adj for HC Disability Grant	76,394	129,474	29,635	439,748	-	-	-	-
	<b>Total SSF Formula</b>	<b>35,782,164</b>	<b>37,522,552</b>	<b>40,470,603</b>	<b>39,705,718</b>	<b>42,897,794</b>	<b>43,560,057</b>	<b>37,549,024</b>	<b>6,011,033</b>
1510	Interest on Investments	91,245	156,492	267,981	322,591	300,000	250,000	102,662	147,338
4200	Third Party billing	45,178	102,447	72,379	72,372	-	-	-	-
2210	TMR	149,514	208,252	210,894	180,556	150,000	210,000	103,846	106,154
4300	JROTC reimbursement	66,034	73,726	69,777	35,236	65,000	65,000	34,652	30,348
Other									
1910	Rental Fees	10,474	9,114	7,731	3,626	10,000	7,500	-	7,500
1980	Fees Charged to Grants	800	-	-	-	100,000	50,000	-	50,000
1312,									
1960,									
1990,									
5300	Miscellaneous	202,944	213,437	284,801	358,144	300,000	250,000	129,579	120,421
1994	E-Rate reimbursement	82,910	76,847	68,007	-	80,000	80,000	35,232	44,768
5200	Interfund Transfer - Athletics	60,000	60,000	82,657	8,029	850,000	-	-	-
5400	Beginning Fund Balance	3,932,387	3,024,733	3,310,041	5,263,314	2,280,000	3,784,307	4,046,537	(262,230)
	<b>Total</b>	<b>40,423,650</b>	<b>41,447,600</b>	<b>44,844,870</b>	<b>45,949,586</b>	<b>47,032,794</b>	<b>48,256,864</b>	<b>42,001,532</b>	<b>6,255,332</b>